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## With a Nuclear Blast, China Issues Challenge

### Beijing Unnerves Its Neighbors With Large Underground Explosion

By Steven Mufson  
Washington Post Service

BEIJING — China detonated a nuclear weapon in an underground test Monday, less than a week after it joined other nations backing an indefinite extension of the Nuclear Nonproliferation Treaty.

China is the only country still conducting nuclear weapons tests, disregarding a 1992 voluntary moratorium on testing that is being observed by the other nuclear powers.

The test, conducted at the Lop Nor testing site in the western province of Xinjiang, registered 5.9 on the open-ended Richter scale, according to the Australian Seismological Center in Canberra. Analysts estimated it to be a device equal to 40 to 150 kilotons of TNT.

The blast drew sharp protests from many of China's closest neighbors, especially Japan, Kazakhstan and Australia, and is certain to heighten anxiety in Asia about China's foreign policy.

The United States said in a statement that it regretted the action, noting that it came "only days after the successful conclusion of the NPT extension conference in New York, where China agreed to exercise 'utmost restraint' in nuclear testing pending the entry into force of a comprehensive test ban treaty."

Foreign Minister Gareth Evans of Australia said "Australia is deeply disappointed" about the test. "China's continuing testing is out of step with the positive attitude of the negotiations as well as China's own support for nuclear disarmament and its stated commitment to a comprehensive test ban treaty."

Despite the protests, China is expected to conduct two to four more tests later this year.

A global conference at the United Nations agreed last week to the indefinite extension to the 178-nation Nuclear Nonproliferation Treaty, which seeks to limit the spread of nuclear weapons. A treaty due to be signed next year is supposed to eliminate nuclear weapons tests and limit

nuclear weapons to China, Russia, the United States, France and Britain.

China says it supports the ban on tests, but that it will continue to conduct them until the ban takes effect in 1996. It argues that it has conducted far fewer tests than the United States or Russia. This is believed to be China's 42d nuclear test, far short of the 1,000 conducted by the United States.

"On the question of nuclear tests, China has always exercised great restraint," a Foreign Ministry spokesman said Monday. "It stands for the complete prohibition and thorough destruction of nuclear weapons and has taken an active part in the Geneva talks on the comprehensive test ban treaty."

Analysts say that China is rushing a few more tests in order to upgrade its nuclear weapons arsenal before the ban goes into effect.

Improved weapons would enable China to develop land- and submarine-based missiles with increased ranges and multiple warheads capable of hitting several targets.

Japan strongly protested to Beijing over the test Monday and warned that bilateral ties, including economic links, could be harmed.

Japanese Foreign Ministry officials were particularly incensed that the test was carried out only days after Prime Minister Tomiichi Murayama visited China and urged Prime Minister Li Peng to halt all testing.

Other countries fear an Asian arms race could be triggered if Japan grows too anxious about China's intentions.

In the past, Japan has threatened to sever its economic aid to China. The latest explosion is unlikely to help China's attempt to persuade Japan to renegotiate more lenient terms to about \$17 billion worth of concessionary loans granted by Japan's Overseas Development Agency. Because of the rise in the value of the Japanese yen, the cost of the loans to

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## Virus Experts Now Fear Wide Contagion and Many Deaths

Compiled by Our Staff From Dispatches

KINSHASA, Zaire — Zaire's capital made hasty preparations to fight the deadly Ebola virus on Monday, as the World Health Organization reported a dramatic increase in deaths from the epidemic and said it expected the number of cases to rise in the coming weeks.

The United Nations' health agency, based in Geneva, announced that the deadly virus had now claimed 77 lives,

up from a figure of 60 given earlier in the day, out of a total of 84 confirmed cases.

Officials said that medical experts led by WHO in Kikwit, the town at the heart of the outbreak, were investigating rumors of dozens of other cases and of 15 deaths reported to Zairian health authorities.

"WHO experts expect a significant increase in cases during the next two to three weeks among people who are incubating the disease, after having been exposed to it during the care of relatives or neighbors with hemorrhagic fever," a WHO statement said.

The prognosis represented a clear turnaround for the agency, which had tried to calm fears that the epidemic could spread much beyond Kikwit.

Health authorities in Kinshasa, meanwhile, reported the first two possible cases of Ebola virus in the capital Monday.

Abdou Moudi, the World Health Organization's representative in Zaire, said two people were being sought so they could be tested for Ebola. He said one was a riverboat captain who was treated at a Kinshasa hospital for diarrhea before being released.

The other suspect case, Mr. Moudi said, was a nurse in Kinshasa who he said had possibly been exposed.

Health workers in the capital distributed graphic posters to raise public awareness and the government tightened quarantine restrictions, saying that journalists who visited the worst-hit town would have to spend 28 days in isolation.

In other measures, the governor of

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Health workers covering their faces on Monday outside the Kikwit hospital, where an outbreak of Ebola virus was first reported a week ago.

## Cult Leader Is Target as Tokyo Police Mount Raids

### Arrest Warrants Name Guru and 40 Others in Subway Gas Attack

Compiled by Our Staff From Dispatches

KAMIKUCHIKI, Japan — Japanese police staged simultaneous raids Tuesday on the headquarters and other facilities controlled by a cult accused of responsibility for the poison gas attack on the Tokyo subway in March.

Hundreds of police were involved in the raids, which began at about 5:30 A.M.

"We have obtained evidence that the sect has produced sarin within its compound and discovered its members who were involved in the attacks on the subways," a police official said. Sarin was the gas used in the attack.

One of the main targets of the raids was Shoko Asahara, founder and guru of the Aum Shinrikyo sect, who was believed to be hiding in the headquarters in Kamikuchi, a village 100 kilometers (60 miles) west of Tokyo, at the foot of Mount Fuji.

A police officer said similar raids were in progress at 130 locations throughout Japan, including the sect's offices in Tokyo.

The raids started when the police used a circular saw to cut through a steel door on the first floor of a three-story building that was Mr. Asahara's living quarters.

Although cult members have not offered serious resistance to previous arrests, the police were prepared for that possibility on Tuesday. The police involved in the raid carried gas masks in pouches strapped to their waists and wore not helmets.

All major Japanese television networks carried live coverage of the raids.

"Guru Asahara, at last it's X-day," one commentator said.

More than 200 of Mr. Asahara's followers have been arrested since the March 20 subway attack, all on charges unrelated to that attack.

Nicholas D. Kristof of the New York Times reported earlier from Tokyo:

The Kyodo News Service reported that the police had obtained arrest warrants for Mr. Asahara and 40 other Aum members. The warrants are for murder, ordering murders, and complicity with murder, Kyodo said.

Japanese news organizations, tipped off by police, said they suspected that Mr. Asahara was hiding with aides in a secret chamber of a building at Kamikuchi.

The raids are particularly delicate because police believe that Aum may have stockpiles of nerve gas, as well as guns and other weapons.

The sect is suspected of not only manufacturing nerve gas, but of experimenting with other poison gases, making machine guns, researching biological weapons and assembling tons of raw materials for dynamite.

Aum preaches its own mix of Hinduism and Buddhism, centering on respect for Mr. Asahara and veneration of the Hindu god Shiva, lord of destruction and creation. Mr. Asahara, a 40-year-old who is partly blind and has a penchant for pink robes, is seriously ill with an uncertain ailment.

The police had appeared reluctant to arrest Mr. Asahara, partly for fear of retaliatory acts by Aum followers. But the police on Monday arrested the sect's intelligence chief, Yoshihiro Inoue, allegedly a central figure in various kidnappings and attacks, and the police now seem willing to go ahead.

Mr. Inoue is suspected of leading the March 20 subway attack on five cars on three lines.

Publicly, the police say nothing about their plans or the information they have gathered. But according to Japanese news reports based on police briefings that foreigners are not allowed to attend, a number of Aum officials now under arrest have confessed to involvement with the gas.

The head of Aum's "chemical squad," Masami Tsuchiya, reportedly acknowledged that he oversaw the manufacture of sarin nerve gas, most recently in January.

Another Aum member under arrest is said to have acknowledged carrying the gas to the subway station on the morning of the attack.

Mr. Inoue was arrested only for obstructing police officers, in line with the police practice of arresting Aum officials for minor offenses.

(Reuters, AP)

## German Greens Party Moves to Fore as Potential Power Broker

By Alan Cowell  
New York Times Service

BONN — In what political analysts depicted as a belated change, Germany's upstart, environmentalist Greens Party emerged as the nation's potential kingmaker in local elections that brought no solace at all to the country's political old guard, according to official results on Monday.

falling to win the minimum 5 percent of the vote needed to enter either of the contested state legislatures.

It was the latest in a sustained run of defeats for the Free Democrats, who have lost their places in 11 of the 16 state parlements over the last two years.

And, within the opposition Social Democrats, the vote raised questions over the future of one of the country's most popular politicians, Joachim Rau, the premier of North Rhine-Westphalia, and one-time

contender for the federal presidency, whose party lost its absolute majority.

The vote changed a fundamental pattern in Germany, where the small Free Democrats have been represented in virtually every national coalition since 1949. While the Free Democrats collapsed in both votes, the Greens doubled their share from 5 percent to 10 percent in North Rhine-Westphalia and made less dramatic advances in Bremen.

"After a long period in the shadows in

Germany's most populous state, the Greens have now acquired the role of kingmaker, replacing the Free Democrats," the Ifans private research institute said of the North Rhine-Westphalia vote.

Rudolf Scharping, the head of the Social Democrats, said: "The Greens are assuming the role of the Free Democrats in every regard."

Many politicians in the big German parties — the Christian Democrats and the

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Bernard Tapie leaving the courthouse Monday in Valenciennes, France, after he was sentenced to a year in prison.

## Campaign of Rape Emerges in Rwanda

By Donatella Lorch  
New York Times Service

KIGALI, Rwanda — When Hutu militiamen came to Gikongoro in the midst of Rwanda's ethnic massacres last year, Marie-Chantal begged the Hutu captain directing the killings to spare her. The 18-year-old Tutsi recalled this week how the captain took her by the hand and hid her in a house.

Then he raped her.

She said she was his hostage for nearly a year, first in Rwanda and then, as rebel forces of the mostly Tutsi Rwandan Patriotic Front advanced and ousted the Hutu-dominated government, she was forced to flee with him, his family and more than a million Hutu to Zaire. There she lived locked in a house, where she was repeatedly beaten and threatened with death if she tried to escape.

Last month, she finally got away and made her way to Kigali. She is six months pregnant with the Hutu officer's child, all her

relatives are dead and her life has become a daily battle of shame, fear, ostracism and poverty.

"There were many other girls like me," said Marie-Chantal, sitting curled in a chair and speaking in a whisper as she told her story to government officials and later to a reporter on the condition that her last name not be used. "The militiamen took them with them. We weren't willing to be raped. We should not be blamed."

Marie-Chantal's story is part of the hidden social and humanitarian tragedy facing Rwanda.

She is one of thousands of women and girls raped by Hutu militiamen and soldiers and to a much lesser extent by rebel soldiers during the ethnic slaughter that erupted in April 1994. The ensuing pregnancies have been largely unwanted and the women have been ostracized by their families and communities.

Many of them have had abortions or have abandoned their infants. Some have committed suicide. Many say their greatest

See RWANDA, Page 6

## AGENDA

### Troops in Beirut Fire at Israeli Jets

BEIRUT (Combined Dispatches) — Lebanese troops manning anti-aircraft guns fired at Israeli planes flying reconnaissance missions over the capital, Beirut, and southern Lebanon on Monday night, witnesses and security sources said.

The sources said that gunners near the site of the presidential palace and in Beirut's southern suburbs, a bastion of the Muslim militia group Hezbollah, had fired at the Israeli planes. Witnesses said none of the planes were hit.

Army and Hezbollah gunners also fired at Israeli planes that buzzed the southern town of Nabatiyeh, security sources said.

(Reuters, AP)

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T Modern Business Nomads/Life as Rolling Stones

## Hotel Is Home, and the High Comes From Flying

By Leslie Wayne  
New York Times Service

**N**EWS YORK — They are the road warriors of business. With their platinum frequent-flier cards and their roll-on luggage, road warriors are the growing number of business travelers who spend more time on the road than in the office — 70, 90, more than a 100 days a year. And they love it.

Hotel clerks know them by name, airlines adore them. Their friends think they are crazy, and their children, if they have them, wonder who they are.

One of them is James Williams, a business executive who stayed in so many different Hilton Hotels in one year — more than 100 — that the company gave him a car and enshrined him in the Hilton Frequent Traveler Hall of Fame.

"I'm always going just like the Energizer bunny or Moses," said Mr. Williams, 52, who lives in Mesa, Arizona.

Mr. Williams, head of information services for the Luce Press Clipping Service, travels nearly every business day — although he has recently cut back to three or four days a week.

"When you are traveling constantly, you don't have a life and don't realize it," said Mr. Williams, a bachelor. "No way could I have a family and, as far as relationships are concerned, forget about that. I've got lots of friends that I talk to on the phone, but I never get to see them."

Even the Hilton car did him little good. It was a gratis one-year lease, and when it ended, he had driven the Pontiac Sunbird convertible a paltry 2,500 miles (4,000 kilometers). A love life is equally stalled.

"I'm reluctant to get involved in a relationship because I fear the consequences of getting involved and being away," Mr. Williams said. "So I've just avoided it."

There have always been business nomads — from European merchants who traveled the spice routes to Asia to itinerant peddlers on the byways of Old Russia to the Willy Lomans on America's Blue Highways. Mr. Williams and his fellow travelers are the modern equivalent but with a twist: They are the creation of the technology that was supposed to have wiped them out.

The gadgets that let business people fax, phone and surf the Internet from 30,000 feet (9,150 meters) are from the same technology that once promised to eliminate bothersome travel by heralding a new age of video teleconferencing and the information superhighway — business people talking to each other by electronic mail and on television screens.

Instead, the opposite has happened. Advanced telecommunications have made the office portable, and have propelled more business people into a place called the virtual office: an office-in-a-bag that accompanies them as they work above the clouds.

Futurists see increased travel as a sign that face-to-face contact is becoming more important and the virtual office is making it easier to accomplish.

"These people are leading indicators of what's in store for the rest of us," said Paul Saffo, a director of the Institute for the Future, a research foundation in Menlo Park, California.

A powerful symbol of this trend is Vinton Cerf, one of the founders of the Internet. Mr. Cerf, an MCI Communications executive armed with a powerful laptop computer, spends most of his time on airplanes.

The road warriors, a term coined by the travel industry, are a new class of super-frequent travelers, the top 1 percent of the 40 million or so people who travel for business each year.

Minimum travel to gain road-warrior status is about 50 airplane flights a year and an equal number of hotel nights — an industry



Sue Sobol, who travels for U.S. West, waiting in her other "office," an airport. Psychiatrists are critical of road warrior behavior.

rule of thumb. At each airline, there are about 20 million to 25 million members in frequent-flier programs.

And while numbers are sketchy, about 500,000 of those at each carrier travel at road-warrior levels and qualify for elite frequent-flier bonuses.

Hard-core road warriors, however, easily top those minimum levels. Hilton Hotel executives talk about the management consultant who stayed at their chain 330 nights in 1993 — still a record.

**L**IKE wanderers of yore, today's road warriors leave their wives, children and loves in the dust. But, while psychologists lament the impact this travel has on relationships, road warriors would not spend their lives any other way. For their part, they say they are happy.

George T. Shaheen, managing partner of Andersen Consulting, espouses the gospel of the virtual office. With an around-the-world itinerary and stayovers at hotels like the George V and the Plaza Athenee in Paris, he is on the road, he estimates, 90 percent of the time. He has no one business base. He owns a house in Atherton, California. But he has offices in New York, Chicago, Palo Alto, California, and points beyond.

Even Andersen employees who report directly to him can live wherever they want.

"They just have to be willing to travel to see me," he said. "We're a totally networked, global organization. We don't warehouse our consultants. They have a territory — the territory of the globe."

Then there are David Sams and his wife, Eagle, owners of SBL Vision Merchants, a company in Palm Springs, California, that runs corporate meetings. On average, they each take 180 to 200 flights a year, rarely together, and each has more than a million frequent-flier miles in the bank — so many that they cannot use all the free tickets they have accumulated.

"Lots of times, I'll be going through an airport like Dallas or Chicago and the airline personnel will say 'Oh, we saw your wife here about an hour ago,'" said Mr. Sams, who cut an interview short to pick up his wife at the airport. "We have two cars and a fabulous house in Palm Springs that the cats enjoy and we occasionally visit."

Airlines and hotels love people like the Sams and for good reason. Revenues from road warriors are disproportionate to their numbers. Northwest Airlines estimates that the top 1 percent of those in its World Perks frequent-flier program contribute 10 percent of all revenues from World Perks customers.

At Hilton Hotels, the 10,000 customers who represent the top 1 percent of the frequent-customer program, Hilton Honors, account for about 15 percent of all revenues from Hilton Honors customers, or some \$60 million.

"I can't begin to describe to you how valuable road warriors are to us," said Cindy Baker, director of marketing operations at Hyatt Hotels Corp.

"You can't put a dollar value on it," she added. "There is no dollar value. They are unbelievably valuable and they are the people we most don't want to lose."

For that reason, hotels and airlines closely guard any information about their best customers and bend over backward to coddle them.

Once a business traveler flies enough miles or stays enough at a hotel chain to reach road-warrior status, hotels and airlines bump them to a special level. They receive gold-, platinum- and diamond-level cards that provide such perks as airplane-seat upgrades; bonus frequent-flier points; admission to private airline clubs at airports; better rooms and housing on exclusive floors at hotels with round-the-clock snacks; special attendants and private lounges.

"If you want to know what guys really talk about, this is it," said Richard M. Neustadt, a senior adviser at Galway Partners, a telecommunications company in Washington, whose wallet bulges with gold and platinum cards.

"It's locker room comparisons: 'I've got a platinum and you've only got a gold,'" he said.

**R**OAD warriors spend so much time on the road that the definition of "home" is murky. "It's almost a joke, the words 'welcome home,' because hotels are their home away from home," said Ms. Baker of Hyatt Hotels.

"Sometimes road warriors spend more time with hotel employees than with their families," she added. "They know the doormen and the housekeepers. Then they have to be

reintroduced to their families each weekend. It's amazing how close they get to our employees. They have two families."

Unlike many real families, the hotel family is always cheerful. "Their kids may not smile at them when they get home," Ms. Baker said, "but the front desk will."

For all the grumbling about the grind of travel, most road warriors cannot imagine a traditional 9-to-5 job.

"I love travel," said Marc Hodak, a consultant with Stern Stewart & Co. in New York. "Everything from the isolation of small towns, to the vibrance of big cities to the exotic nature of the Third World."

Mr. Hodak, a divorced father of two who took to the road when he became single again, said: "I like getting taken care of at an airport. I like the airlines thanking me for flying so much and I like the platinum perks. I'm so used to hotels, they are like home to me. I don't take the kindness of strangers personally. I take it for what it is — professional pampering. But it is nice getting taken care of at someone else's expense."

Being a road warrior means never having to make your bed (housekeeping is there). Or worry about the price of a meal (expense account living). Or having to put gas in the car (it's a rental). And from the motion comes meaning.

"Most people have trouble figuring out at the end of any given day just exactly what they have done," said Mr. Neustadt of Galway Partners. "When you travel, you have a sense that you're doing something really concrete. You tease yourself into thinking that you've actually gotten something done."

Psychiatrists who treat high-powered businessmen are familiar with road warriors and are critical.

"It's great if you don't want to be in a committed relationship," said Dr. Wayne Myers, a New York psychiatrist and professor at Cornell Medical Center. "If you do, you're in trouble. Lots of people are not great at intimacy and work makes them feel needed and important. For people where intimacy is not No. 1 on their list, this fits. When they enter the concierge level at the hotel, there's fruit and champagne waiting for them. It's very seductive."

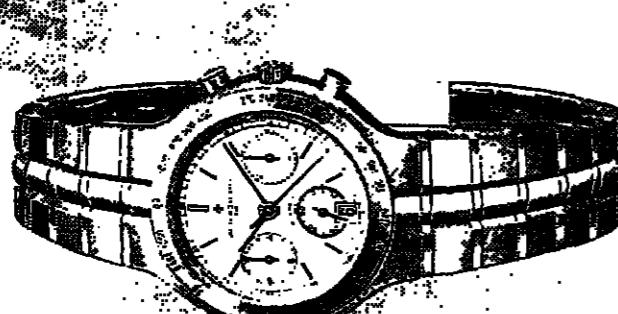
Dr. John Munder Ross, a professor of psychiatry at Cornell Medical Center and a New York therapist, said that some "people choose work that keeps them feeling like a rolling stone."

"Travel makes them feel special and they get taken care of like a baby," he added. "But those back home get left in a lurch. It's very disruptive to home life because it's hard to have real relationships. They have developed a way of being special every time they show up — whether on the road or returning home."

In fact, both Dr. Myers and Dr. Ross said, road warriors make for difficult patients — they always cancel appointments. Dr. Myers treats his road-warrior patients by video telephone when they travel domestically and by regular telephone when they are abroad.

"They are very manipulative," he said.

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## THE AMERICAS

## Clinton Denounces NRA and Vows to Defend Gun Ban

*The Associated Press*

WASHINGTON — President Bill Clinton stood before hundreds of police officers as they mourned murdered comrades Monday and denounced the National Rifle Association for maligning federal agents as "jack-booted government thugs."

Taking on one of Washington's most powerful lobbies, the president pledged to defend his ban on assault weapons against NRA activists.

In a speech at the 14th annual National Peace Officers' Memorial, the president challenged NRA lobbyists to "pressure Congress all they want," adding:

"But as long as I am president, that ban will be the law of our land."

At a ceremony to honor the 157 officers and federal agents killed in the line of duty in 1994, he praised former President George Bush for resigning his NRA membership to protest a fund-raising letter by the organization that referred to federal law enforcement agents as "jack-booted government thugs."

The letter also asserted that the Clinton administration gives federal agents permission to "murder law-abiding citizens."

Mr. Clinton said: "Law enforcement officers in this country deserve our respect and support. No one has the right to run them down or to

suggest that somehow it is all right for them to be put in harm's way."

"That is not the American way, and anybody who does it ought to be ashamed of themselves."

The NRA has defended the letter, saying it hoped to draw attention to abuses by federal agents, especially those of the Bureau of Alcohol, Tobacco and Firearms.

The president has criticized talk radio hosts like G. Gordon Liddy and others for saying that Americans have a right to defend themselves against federal agents.

He also has a history of battling the NRA, going back to his days as Arkansas' governor. But his remarks Monday were especially stern.

Taking the offensive, the White House hoped to blunt NRA criticism of the Clinton administration's actions in the 1993 raid on the Branch Davidian sect.

Congress will hold hearings on the Waco, Texas, assault that threatened to feed fears about powerful government agents and undermine Mr. Clinton's anti-terrorist legislation.

To defend its views, the NRA took out full-page advertisements in several major newspapers Monday, in which the organization's president, Thomas L. Washington, urged Mr. Bush to reconsider his decision after the hearings on the

actions of the Bureau of Alcohol, Tobacco and Firearms in the Waco raid are completed.

"I firmly believe that after a thorough congressional examination" of the bureau's actions, "you will agree that our words have been more truth than slander," Mr. Washington wrote.

A spokesman for Mr. Bush in Houston said the former president "has no intention of reconsidering." In a commencement address Sunday at the College of William and Mary in Virginia, Mr. Bush urged graduates to "speak up against the excesses of these crazy people."

A warm, brisk wind whipped between the monuments and museums on the Mall where 5,000 people, most in police uniforms, honored 157 officers and federal agents killed on duty in 1994.

Surviving spouses and children wore red carnations and sat up front. Officers wore thin black bands over their police badges in honor of the dead.

In the ceremony to honor slain officers, Mr. Clinton told police: "I will not allow you to be outnumbered or to be outgunned."

He said Congress will not overturn the 1994 ban on certain assault weapons, or the Brady law, which requires a five-day waiting period to purchase handguns.

At the White House, the president's spokes-

man, Michael McCurry, accused the rifle association of trying to divert attention from the Oklahoma City bombing and related anti-terrorist legislation by pressing for hearings into the Waco raid.

The White House has also singled out Newt Gingrich, the speaker of the House, who said the president's terrorism legislation would be slowed by the promotion of an FBI official who worked on the raid.

Mr. Clinton said Republicans and Democrats set a deadline of Memorial Day to give police more power to combat terrorists.

"Since then, we have seen disturbing signs of the old politics of diversion and delay," he said.

"This plays into the hands of those who would blame the law enforcement officers who keep the law, rather than the criminals who break it."

In recent days, administration officials have admitted that mistakes were made in the raid that resulted in the deaths of 80 Branch Davidians.

But they said that Congress has already reviewed the case, and argue that the Branch Davidians broke the law and refused to surrender.

Mr. McCurry suggested that the administration would not welcome Waco hearings before the anti-terrorist legislation is passed.

## POLITICAL NOTES

## New Hat for Hillary? Aide Scoffs

WASHINGTON — Hillary Rodham Clinton freely gives her husband advice on his 1996 re-election campaign but is not "overly preoccupied" with details, President Bill Clinton's spokesman said Monday.

"I strongly suspect she's got a lot better things to do with her time," said the White House press secretary, Michael McCurry.

Mr. McCurry poked fun at a published account suggesting that Mrs. Clinton had become the "unofficial political director" of the White House.

"The first lady is one of the president's closest and most trusted advisers, and his wife," he said. "And, as many spouses do, they talk about a whole range of things. So I don't think it's any surprise that they talk about everything ranging from politics to the weather to what they're going to have for dinner."

He was responding to a report in the Washington Times on Monday that Mrs. Clinton had taken the reins of her husband's 1996 campaign, including overseeing the search for a campaign manager.

"She advises the president," Mr. McCurry said. "I'm not aware that she's become overly preoccupied with the minutiae of an election campaign."

White House aides said privately that Mrs. Clinton was actively engaged in planning for the 1996 campaign. But, Mr. McCurry said, "There certainly is no formal role there and certainly nothing there that is anything but transparent."

(AP)

## Key Republicans Differ on Tax Cut

WASHINGTON — As the House and Senate prepare to debate watershed plans to balance the federal budget, the authors of the Republican plans have differed over whether the final version of the proposal should include a huge tax cut that would almost certainly draw a presidential veto.

In broadcast interviews, the chairmen of the two budget committees that wrote and approved the measures appeared to be at loggerheads over the tax question. The House budget plan includes a \$340 billion tax cut for businesses and individuals, while the Senate plan leaves taxes at their current level.

"The debate about whether we ought to have tax relief in the budget" is over, Representative John R. Kasich of Ohio, the House chairman, said.

His counterpart, Senator Pete V. Domenici of New Mexico, said he was sticking by his position. "We don't have a tax cut until we balance the budget," he said.

(NYT)

## Bill Seeks Welfare Middle Ground

WASHINGTON — The chairman of the Senate Finance Committee is drafting legislation to cede control of welfare programs to the states, but it drops spending restrictions sought by conservatives in his own party. The plan by Senator Bob Packwood drew quick criticism from Republicans and Democrats, as the Oregon Republican seeks a middle ground in the welfare debate.

Mr. Packwood, whose committee is key to any welfare legislation, wants to allow states to take over welfare programs, backed by federal money sent in the form of block grants.

(AP)

## Quote / Unquote

Coretta Scott King on the swearing-in of Myrlie Evers-Williams as chairwoman of the National Association for the Advancement of Colored People: "Let the forces of reaction and polarization take note that the NAACP is now more united and determined to resist the forces that want to turn back the clock."

(NYT)



FATAL STORM — Ed Heinrich amid the ruins of his home after a tornado in Limbsburg, Indiana, killed his son.

## Away From Politics

• Myrlie Evers-Williams, 51, has been sworn in as the new chairwoman of the National Association for the Advancement of Colored People. (NYT)

• An unwed father who lost a court battle to force the mother to give his 3-year-old son his last name fatally shot the boy and killed himself in Easton, Pennsylvania. (AP)

• A motorboat carrying a 34-year-old groom-to-be on foot and horseback Monday for a 12-year-old boy who disappeared Friday during a class trip to

Parkersburg, West Virginia, killing the groom and three other men. (AP)

• Investigators recovered the cockpit voice recorder and the flight data recorder from an air force C-130 transport plane after it crashed in the desert near Colorado Springs, Colorado, killing all six people aboard. (AP)

• Searchers looked on foot and horseback Monday for a 12-year-old boy who disappeared Friday during a class trip to

the Black Hills around Custer, South Dakota. (AP)

• Captain Lawrence Rockwood says a court-martial panel spared him jail time for making an unauthorized inspection of a Haitian prison to defuse his allegations against his superiors. The panel, sitting in Fort Drum, New York, convicted the 15-year army veteran on charges stemming from his investigation of reported abuses at the National Penitentiary in Port-au-Prince. (AP)

## Christian Right Readies Its Own 'Contract'

By Thomas B. Edsall  
*Washington Post Service*

WASHINGTON — The Christian right is poised to capitalize on its growing power in the Republican Party to press for enactment of its own "Contract With the American Family," including individual religious expression in schools and a ban on an abortion procedure.

The proposals, which the Christian Coalition and a number of allied groups will detail at a news conference this week, have been market-tested by the pollster Frank Luntz, who will assure Republican leaders that each item has an approval rating of at least 60 percent.

"I do expect generally favorable treatment by this Congress," said Ralph Reed, executive director of the Christian Coalition. "I am absolutely confident that virtually every provision will be passed by this Congress or by a subsequent Congress."

Mr. Luntz's testing of the proposals was designed in part to allay the fears of Republican leaders, many of whom have been very reluctant to enter terrain that could alienate supporters who are conservative fiscally but more liberal socially, especially suburban women. Many moderate Republicans believe that the socially conservative tenor of the 1992 Republican convention hurt many of the party's candidates.

The agenda does not take up such divisive issues as a full-scale ban on abortion or the issue of gay rights.

During the first 100 days of the current Congress, when the House concentrated on the generally economic and procedural issues contained in the Republican "Contract With America," social-issue conservatives became increasingly restive.

Gary Bauer, president of the Family Research Council and James Dobson, president of Focus on the Family, both met with Republican officials, and Mr. Bauer warned that Christian activists could bolt the party in 1996 if their issues remained neglected by Congress.

The announcement of the Christian Coalition agenda is a

clear signal that conservative organizations pressing social-issue initiatives intend to make sure that the newly elected Republican Congress repays the strong voter support of the constituencies of these groups supplied the party.

In addition to the Christian Coalition and the Family Research Council, such organizations as the American Family Association, Concerned Women for America, the Traditional Values Coalition, the National Right to Life Committee and the Eagle Forum have been pressing to place abortion, homosexuality, condom distribution, religious freedom, home-schooling and the tax treatment of families at the top of the congressional agenda.

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The top two items of the Christian Coalition's contract, Mr. Reed said, are the "Religious Equality" amendment, which could have language declaring that nothing in the U.S. Constitution or any state constitution "shall be construed to prohibit a citizen from expressing his or her faith in a public place" and a tough policy on convicted criminals.

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# Old Army Hand May Tip China's Shaky Balance

By Patrick E. Tyler  
New York Times Service

GUANGZHOU, China — Of the six old men likely to remain as revolutionary elders of China after Deng Xiaoping dies, only one has commanded the 3.2-million-man People's Liberation Army, a key institution during the coming political succession.

Only one has made a state visit to Washington, talks frequently about the importance of strong relations with the United States and counts George Bush among his friends.

Only one was at Mr. Deng's side both when he began China's economic reforms here in the prosperous south, and when he had to rescue the reforms from a hard-liner backlash that followed the Tiananmen violence in June 1989.

His name is Yang Shangkun, a military man who has often backed reformers. And among the octogenarian elders — Mr. Yang is 88 — he poses the biggest threat to upend the political order that Mr. Deng, his lifelong friend, has bequeathed to a restless nation of 1.2 billion Chinese.

Although China's political succession is apparently complete with the elevation of Jiang Zemin as head of state, general secretary of the Communist Party and chief of the military, the revolutionary elders who survive Mr. Deng

will continue to wield enormous influence, Chinese and Western officials say.

The most influential hard-liner among the elders, Chen Yun, died at the age of 89 on April 10, but he is survived by Peng Zhen, 92; Mr. Yang; Song Renqiong, 85; Bo Yibo, 86; Wan Li, 78, and Song Ping, 79. It was these leaders who elevated Mr. Jiang after Zhao Ziyang, 76, was deposed as party boss during the Tiananmen Square crisis of 1989.

While Mr. Yang's age makes it doubtful that he will dominate Chinese succession over a number of years, his influence after Mr. Deng's death could tip the factional balance that has swung between Marxist hard-liners and reformers for nearly two decades.

"Yang Shangkun is making a serious bid to come back and he has a tremendous network inside the country," said Douglas Paal, a White House specialist on China during the Bush administration.

Even as the Communist Party leadership projects an image of unity and stability to the world, Mr. Yang has been politicking among the regional party and military leaders who have shown growing disaffection with the increasingly hard-line policy from Beijing.

Even though he is nominally out of power now, just three summers ago it seemed that Mr. Yang could succeed Mr. Deng as China's paramount leader. Mr. Yang was the only member of the

group of Chinese elders who had the same combination of longstanding military and political connections as Mr. Deng and, of equal importance, he was committed to China's economic reforms.

"Yang Shangkun goes along with Deng and always has," said James R. Lilley, former U.S. ambassador to China. "If you go back and look at his career, there is a consistent pattern of his coming down on the side of the reformers."

Mr. Deng's sudden decision in the summer of 1992 to drop Mr. Yang and purge the military of his influence, and that of his younger, half-brother, General Yang Baibing, has been one of the enduring mysteries of China's succession struggle.

Now, from the accounts of former party insiders, Chinese observers and Western diplomats, the dimensions of Mr. Yang's assault on the political status quo are becoming clearer.

According to these people, Mr. Yang was stripped of his offices after he tried to remove President Jiang and Prime Minister Li Peng in early 1992. In their place, he promoted the idea of elevating more centrist and reform-minded party leaders, like Qiao Shi, current chairman of China's legislature; Tian Jiyang, his deputy chairman, and Li Ruibuan, a centrist Politburo member.

Western diplomats say they believe that, in 1992, Mr. Yang sought to broker the return of Mr. Zhao, ousted in 1989 over his refusal to send tanks and machine-guns against demonstrators around Tiananmen Square. It is deeply ironic for many Chinese that Mr. Yang, who carried out Mr. Deng's assault orders in 1989, has been working behind the scenes to rehabilitate Mr. Zhao.

If the political succession Mr. Deng has put in place collapsed, it would not be first.

After Mao Zedong died in September 1976, two years passed before Mr. Deng emerged from a bloodless but intense political struggle to become first among equals in the circle of revolutionary elders.

Mao had selected and purged three potential heirs before he finally settled on Hua Guofeng, whom he anointed by uttering from his deathbed, "With you in charge, I am content."

It did not last.

At the time, Mr. Deng was just another little-known figure in the West. Today, as Mr. Deng's death approaches, China's embattled paramount leader has uttered to a daughter that with Mr. Jiang in charge, "I am content."

Many Chinese believe that this prescription, too, will not endure. Mr. Jiang was always a compromise, a choice least offensive to China's hard-liners, whom Mr. Deng was forced to placate after the uprising in June 1989.

## New Fraud Allegations Taint Philippine Voting

MANILA (AP) — Officials discovered more cases of possible vote fraud Monday, raising new doubts about the integrity of the national election last week.

In the most serious irregularity, the Commission on Elections said that candidates from both the coalition of President Fidel Ramos and the opposition had been shortchanged by thousands of votes in Cavite Province, which borders Manila.

The latest disclosure followed confirmation by the commission that up to 30,000 votes were added to the totals of three Ramos candidates in the Marcos family stronghold of northern Luzon Island. They were former Justice Secretary Franklin Drilon; the former House speaker, Ramon Mitra, and a former representative, Juan Ponce Enrile. Election commissioner Regaldo Maambong called it "the worst case I have seen."

A Ramos spokesman, Honesto Isleta, denied that the administration was involved and said "the president would not tolerate it." Mr. Ramos had described the May 8 elections as "clean and orderly" and said that the outcome showed the country was moving toward stable, honest government after nearly 25 years of rampant corruption and unrest.

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# FOR THOSE SEEKING MORE THAN ONE DIMENSION TO TIME...

"A watch is just a watch, so long as it tells the time." It's the kind of statement that makes us all the more determined to safeguard one of life's irreplaceable pleasures — the multi-dimensional time of complicated watches.

For more than 150 years we have been making timepieces for men and women who see beyond ordinary time. Einstein owned a watch made by us fig. 1, so did Tchaikovsky, Wagner, Marie Curie and Charlotte Brontë. Each of them — whether scientist, musician or writer — had the rare gift of being able to exploit time as a creative element in their work.

Today we are still recognized as the only watchmakers whose timepieces adequately convey a sense of outstanding personal achievement. We can rise to your greatest occasion with a total of 33 horological complications — far beyond the capabilities of any other watchmaker. Our Calibre 89, the most complicated portable timepiece ever built fig. 2, expresses the full scope of time: astronomical time — from a star chart geared to the apparent movement of the heavens, to the times of sunrise and sunset; seasonal time, sidereal time and the equation of time fig. 3; long time in the 400-year cycle of the Gregorian calendar; short time with a split-seconds chronograph; the sound of time in a Grand Strike, chiming the hours and quarters, in passing, on a Westminster carillon; spiritual time in the date of Easter; and time that escapes gravity in the tourbillon escapement.

If you find the Calibre 89 a little inconvenient for everyday use, our watchmakers have brought together

the more essential complications in a number of wristwatches. You can be assured that each represents the finest watchmaking in the world.

You may find your most treasured possession in the handsome tonneau-shaped, perpetual-calendar watch fig. 4. The unique combination of a fly-back date-hand showing the progression of the month, and a minute-repeater, is a refinement that took us about four years to develop.

You will appreciate that there are no half measures in complicated watchmaking. We are building precision timekeeping instruments that you will expect to perform faithfully for a century or more. In our self-winding, perpetual-calendar wristwatches fig. 5, our own design and superlative craftsmanship ensure that the calendar mechanism absorbs an infinitesimal amount of power as it smoothly changes the day, date and month, records the quarters of the day and the leap-year cycle. The moon-phase in our perpetual calendars is extremely precise, taking 122 years and 45 days to accumulate the hardly discernible variation of a single day.

Our perpetual-calendar and chronograph combination fig. 6 finds particular favour among collectors who

enjoy the finer points of mechanical watchmaking. Through the sapphire-crystal caseback, you can admire the exquisite hand-finish

of our movements and bring into play the precisely coordinated actions of the column-wheel, levers and gears fig. 7.

Impeccable workmanship is taken for granted by those who wear our watches. But if you choose one of the half-dozen or so slim, self-winding, perpetual-calendar repeaters fig. 8 that we complete each year, you can expect much more. We have encapsulated in our most sophisticated wristwatch the ancient and authentic sound of time. Celebrate a moment — any moment — by making the mechanism ring the hours, quarters and minutes with the pure, clear resonance that only we have been able to achieve in a minute-repeater.

Those who consider a watch is just a watch, so long as it tells the time, will be gratified to learn that in this elegant wristwatch fig. 9, time is told both by a minute-repeater and by an observatory-rated chronometer. In it moves the most ingenious compensation device known to horological engineering. The rotating tourbillon cage literally absolves the watch's regulator from the laws of gravity — removing one of the last obstacles to the final frontier of mechanical precision.

But if you seek that extra dimension to time, to mark your achievement, to inspire your creativity or simply to enjoy sublime watchmaking, you will almost certainly wear one of our timepieces one day. You will then come to recognize the touch of the world's finest watchmakers fig. 10, and know that the name on the dial can only be Patek Philippe.

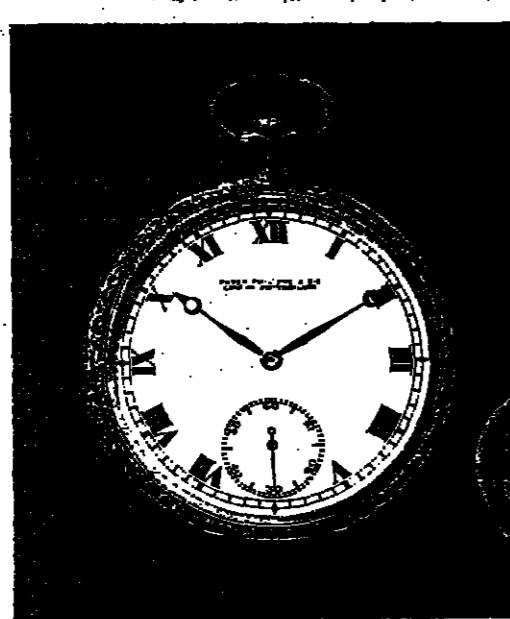


fig. 1: Einstein's daily inspiration.

fig. 4: Ref. 5013. Self-winding, minute-repeating wristwatch with perpetual calendar, moon-phase and a retrograde date-hand, which flies back to the beginning of the month after reaching the 28th, 29th, 30th or 31st day. In Patek Philippe wristwatches, the buckle and the hidden pins that secure the strap are of gold.

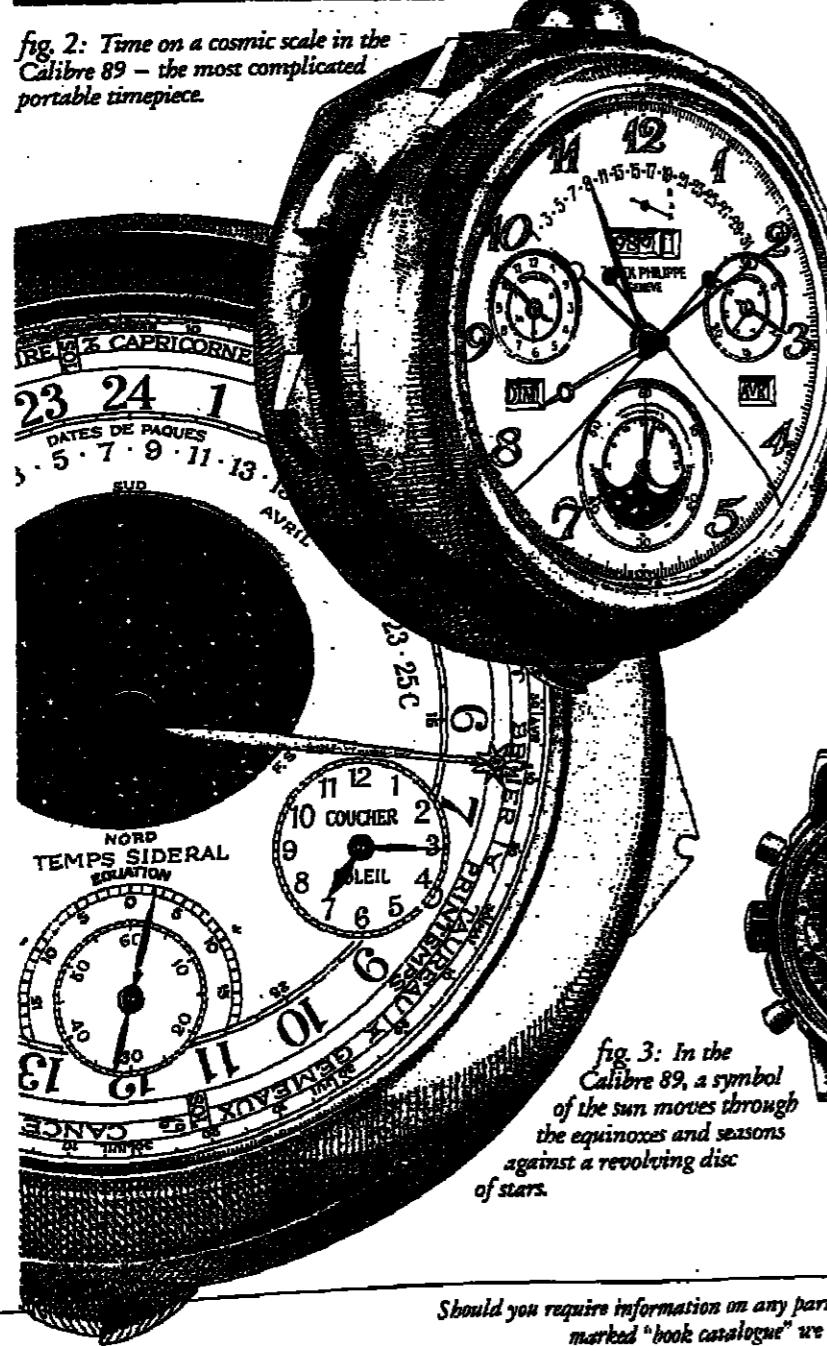


fig. 2: Time on a cosmic scale in the Calibre 89 — the most complicated portable timepiece.



fig. 5: Ref. 3940. The finish on the case and the bracelet reflects the perfect functioning of Patek Philippe's ultra-thin (3.75 mm), self-winding, perpetual-calendar wristwatch with moonphase.

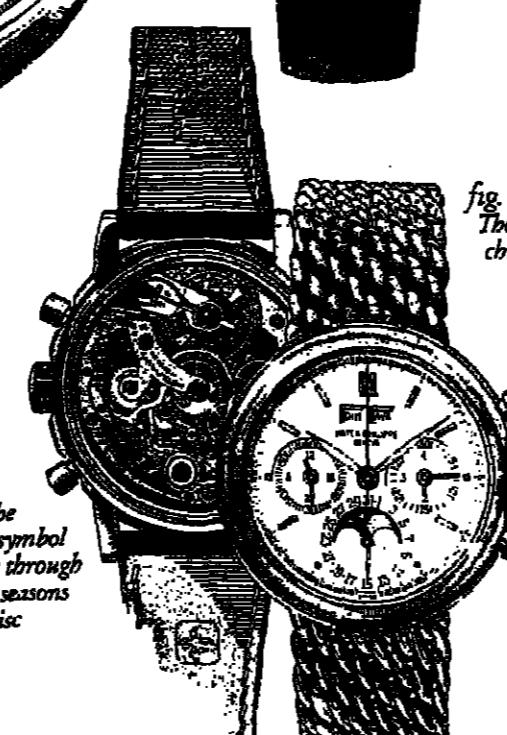


fig. 6: Ref. 3970. The perpetual-calendar chronograph...

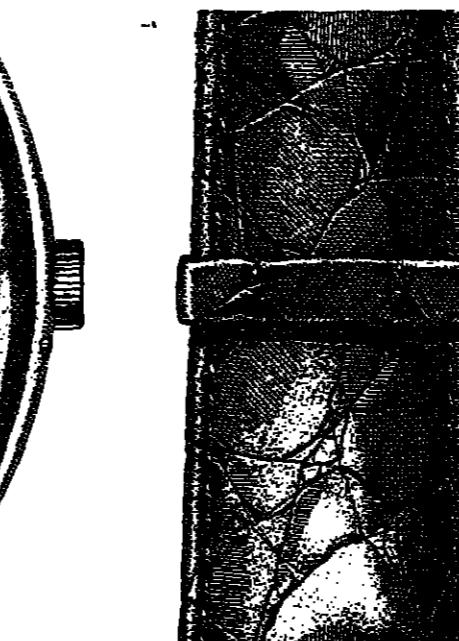
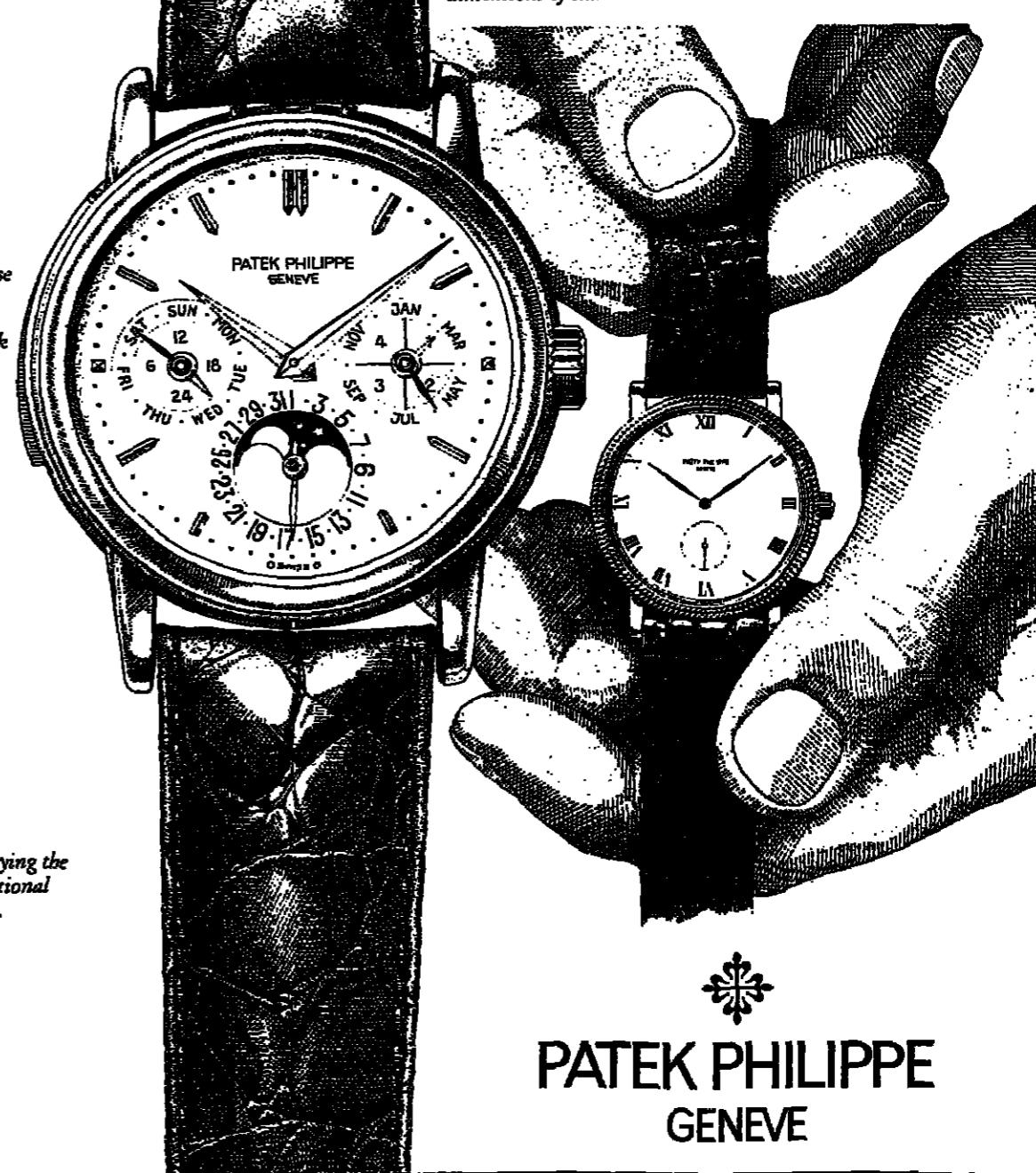


fig. 8: Ref. 3974. The confidence of a smoothly functioning perpetual calendar, and the pleasure of bearing the time, combined in one of Patek Philippe's most sophisticated wristwatches.

fig. 9: Ref. 3939. A minute-repeater which is also a rated chronometer. A tourbillon device cancels out the effects of gravity.



**PATEK PHILIPPE**  
GENEVE

## INTERNATIONAL

**Ivory Coast Moves To Kill Off Crime****Citizens Ask, Who Might Die In Planned Public Executions?**By Howard W. French  
New York Times Service

ABIDJAN. Ivory Coast — Shattering a stillness that had been interrupted only by the scratchy strains of a Bob Marley tune echoing from a distant bar, the Ivorian police moved into the sprawling, moonlit maze of shacks that bordered a truck stop to make their latest strike against crime.

With their automatic weapons at the ready, shouting as they went, the officers managed within minutes to rouse everyone from sleeping cargo loaders and mechanics to the women who serve them breakfast in their ramshackle cafés at dawn.

Despite countless protests of innocence, the police marched off with their groggy quarry: a single file of men, mostly immigrants, who would later prove guilty of nothing more than failing to carry a residence card.

Long-used tactics like these have done little to blunt the rise of crime in West Africa's most prosperous big city, where armed holdups have become an almost daily occurrence. So, in the midst of an election year, the authorities in Ivory Coast have introduced a new tactic to their campaign against crime: capital punishment.

"Everyone knows that Africans fear death," Justice Minister Faustin Kouame said in a recent radio interview in which he announced that to increase the effect of the new law, some violent criminals would be executed in public.

Some Ivorians, wearied by crime, have expressed support for public executions. But for many others, who either do not condone the policy or harbor mixed feelings about it, the measure has served to open a searching debate about confidence in the national leaders and the impartiality of justice in a country that only recently emerged from more than three decades of one-party rule.

For many Ivorians, particularly among the educated elite, the newly announced death penalty, like recent arrests of journalists for criticizing President Henri Konan-Bédié, reflect disturbing authoritarian reflex they see in a leader who 17 months ago succeeded the

founding father of Ivory Coast, Félix Houphouët-Boigny.

If Mr. Houphouët-Boigny was a dictator who held power for 33 years, he was widely beloved for a smooth avuncular style that mixed firmness with generosity, marking a strong contrast with other African dictators of his generation.

The death penalty has always been on the books in the Ivory Coast, but it was never applied by Mr. Houphouët-Boigny, and few say they could imagine him allowing public executions.

"Under Houphouët, we were known as the country of peace and dialogue, and that is what set us apart," said Jean Hyacinthe, an electronics repairman in the downtown Plateau district. "Once leaders try to prove themselves too hard, they can put us on a course that cannot be easily reversed. One day you wake up, and your country is just as rough or rotten as Zaire or Nigeria."

For others, the anti-crime measures are merely the latest sign of a new cynicism creeping into public life, as politicians who cut their teeth in the one-party era learn to manipulate issues as they brace for what are expected to be the country's first truly competitive national elections this fall.

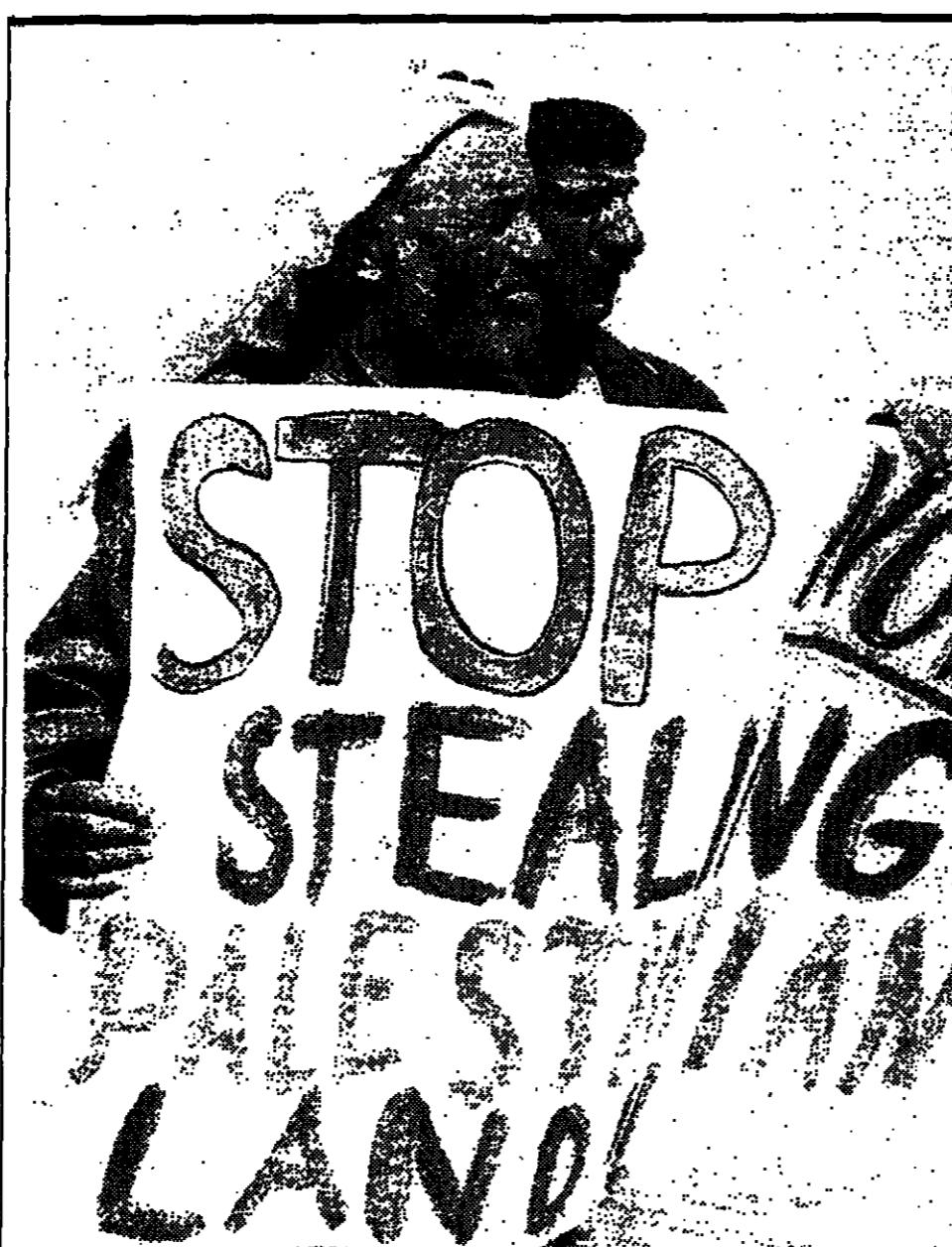
Describing public executions as "something out of the Middle Ages," René Degni Segui, a law professor who is president of the Ivorian Human Rights League, said: "The first question one must ask is whether these measures were not taken for political reasons."

But for many ordinary citizens, before questions of moral principle or political style come practical concerns over the fairness of their country's institutions, from the police to the upper reaches of government.

Everyone from a traffic cop to a cabinet minister here is suspected of being subject to persuasion through the well-placed "gift" or bribe.

"The really bad bandits, the ones who are supposed to be doing 20 years in prison, always find their way out," said Faustin Kraidy, 29, a homemaker.

The flip side of letting the guilty go unpunished, many say, is the fear that the innocent will sometimes be found guilty.



Arabs protesting Monday the seizure by Israel of land on which they live in a tent city.

**Peres Vows Not to Bend to UN**

Compiled by Our Staff From Dispatches

JERUSALEM — Foreign Minister Shimon Peres, vowing to stand firm over land confiscation, said Monday that Arab states and Palestinians must learn to resolve disputes with Israel through dialogue rather than international pressure.

Speaking ahead of a UN Security Council debate on Israeli plans to confiscate land in Arab East Jerusalem, Mr. Peres said that if Israel bowed to the council or the Arab League, the peace process would stop because protest would supplant negotiations.

"Israel cannot capitulate before the Arab League and the Security Council," he told Israel Radio.

The Arab League is considering holding a summit meeting on the planned seizure of 54 hectares (134 acres) to build housing, mostly for Jews, and an Israeli police station.

Israel's cabinet reaffirmed the confiscation Sunday but, faced with mounting Arab fury, said it had no intention of taking any more land in East Jerusalem for housing.

Arab states on Monday rejected the pledge to refrain from confiscating more Palestinian-owned land in Jerusalem, saying the 54-hectare seizure already had damaged peace efforts.

But Jordan, which signed a peace treaty with Israel in October, called the pledge from Prime Minister Yitzhak Rabin "a step in the right direction."

The secretary-general of the Arab League, Emad Abdel-Meguid, said Monday in Cairo, "The confiscation of Palestinian land has stirred stormy reaction in the Arab world, and we cannot remain silent on such measures."

(Reuters, AP)

**Foes in Simpson Trial Irk Judge Ito Chides Defense Lawyer and a Star Witness**

The Associated Press

LOS ANGELES — The judge in the O. J. Simpson trial snapped at the prosecution's star witness and a defense attorney on Monday as another week of testimony about DNA tests began.

Superior Court Judge Lance A. Ito, who has become testy over the nastiness and sluggish pace of the trial, barked: "Wait, wait, wait, wait!" during the cross-examination of Robin Cotton, a scientist, by Peter Neufeld, an attorney on Mr. Simpson's defense team.

"First of all, you can't talk at the same time," Judge Ito said. "Secondly, when I say wait, everybody stops, including you, Dr. Cotton, including you, Mr. Neufeld. You can't argue with the witness and with the answer that she's given. You get to ask questions, you get to give answers, doctor. Proceed."

Last week, in a previous flash of frustration, the judge fined Mr. Neufeld and a prosecutor, George Clarke, \$250 each for making improper statements in front of the jury.

The trial week began Monday on a friendly note, with the judge and Mr. Neufeld congratulating a juror who caught a foul ball during a weekend outing to a Los Angeles Dodgers game.

The mood quickly soured, however, when Mr. Neufeld and Dr. Cotton started talking over each other during questioning about DNA test results on a blood stain found on the steering wheel of Mr. Simpson's Bronco. The defense contends that some unknown person contributed to the stain.

Judge Ito has repeatedly warned both sides in the trial not to talk at the same time because it makes it difficult for the court reporter to work.

The incident occurred as Mr. Simpson's defense team pressed a two-pronged attack on critical DNA evidence: challenging the odds of genetic matches and arguing that the odds are meaningless anyway because the evidence had been tampered with.

Dr. Cotton has testified it was all but certain that Mr. Simpson's blood was found at the crime scene. Whether it was left there by Mr. Simpson, or is a key issue for the defense.

Mr. Simpson's attorneys have suggested that blood swatches were switched in the lab through error or malice, and that some mysterious person rubbed the blood of Mr. Simpson and Nicole Brown Simpson on the steering wheel of his Bronco.

Mr. Simpson, a former football star and actor, has pleaded not guilty to murdering Mrs. Simpson and her friend Ronald L. Goldman.

Mr. Neufeld has said he expected to finish questioning Dr. Cotton quickly. Legal analysts said that the less time he spends questioning her the better.

"He's letting the prosecution's best witness stay up there longer and longer," said Laurie Levenson, a law professor at Loyola University. "Just because the witness testified for three days doesn't mean she has to be cross-examined for three days."

**Saudis Close Foreign Schools****Crackdown Is Laid to Religious Police**

The Associated Press

RIYADH — Saudi Arabian authorities have shut down more than 30 schools run by foreign missions in Riyadh, apparently because they were violating local laws, diplomats said Monday.

Some diplomats said they were waiting to hear from the Education Ministry on what terms the schools would be allowed to reopen.

The diplomats said some 10,000 expatriate children had been affected by the closures and many foreigners were planning to send their families home.

Work resumed in Saudi Arabia on Monday after a long holiday for the Muslim Feast of Sacrifice, which follows the annual pilgrimage, or Hajj, to Mecca, Islam's holiest shrine.

The schools are not allowed to enroll Saudi or other Muslim children. However, many of the Asian and African children are Muslim, but they include Christians among the Filipinos, Indians and Sri Lankans.

None of the schools had complied with these regulations in

recent years, but until now the authorities had not cracked down.

The school problem surfaced late last month when most African embassies started giving diplomatic cover to Pakistani expatriates to run institutions on their behalf.

The schools enrolled children of other nationalities from among the nearly 5 million expatriates living in Saudi Arabia and were being run on a commercial basis.

According to Education Ministry regulations, no embassy school can run classes beyond the ninth grade. Regulations also stipulate that classes should be completely segregated between boys and girls and that students should be taught Arabic and Islamic studies.

The schools are not allowed to enroll Saudi or other Muslim children. However, many of the Asian and African children are Muslim, but they include Christians among the Filipinos, Indians and Sri Lankans.

Hardest hit among the expatriate community were Indians, whose mission runs a school that has more than 5,000 students. It was supposed to reopen Monday but a notice on

the front gates said it would be shut indefinitely.

The school problem surfaced late last month when most African embassies started giving diplomatic cover to Pakistani expatriates to run institutions on their behalf.

They believe the issue may have snowballed because of the involvement of the religious police, who believed that anti-Islamic activities were being conducted in the diplomatic schools, including proselytizing, which is banned in the conservative Islamic kingdom.

The problem seems to be confined to the foreign schools in Riyadh. No embassy-run institution in either Jidda, on the west coast, or the Eastern Province on the Gulf, where large numbers of expatriates work, has been closed.

Riyadh is in the heart of Saudi Arabia and has a large number of the religious police, or mufti, who enforce Saudi Arabia's Islamic law.

**VIRUS:****Death Toll Rising**

Continued from Page 1

Kinshasa has reinforced roadblocks on the main highway from the Ebola outbreak zone and designated hospitals to isolate anyone who becomes sick.

The WHO message had been that basic precautions such as making medical personnel wear gowns, gloves and protective shoes — should contain the outbreak.

India wants all nuclear weapons to be destroyed and all nations with nuclear capability, such as the United States, Russia and Britain, to give up their arsenals.

Other nations, such as India, South Africa and Israel, have nuclear weapons capability but do not admit to possessing nuclear weapons. China is believed to have the smallest arsenal of the declared nuclear powers, with 250 to 300 warheads.

The virus, for which there is no vaccine or cure, is spread through close contact with blood or bodily fluids and kills by causing uncontrollable bleeding. As many as 9 out of 10 people who contract the disease die.

Doctors in Zaire say that because of the size of Kikwit, 500 kilometers (300 miles) from the capital, the outbreak could prove more serious than a 1976 epidemic that killed several hundred people in a village in northern Zaire.

In Kinshasa, the Health Ministry ordered foreign journalists and TV crews who visited Kikwit to report to a clinic in the capital to start 28 days in quarantine.

A senior WHO official, Dr. Giorgio Torrigiani, said the maximum incubation period for the virus, which kills through massive hemorrhaging of body tissue, was thought to be three weeks.

Another World Health Organization spokesman, Thomson Prentice, said the possible spread of the disease to Kinshasa would not represent an acceleration of the epidemic.

"It would not be a great surprise if one case or more than one case occurred in Kinshasa," he said.

But Joachim Kreysler, health adviser to the International Federation of the Red Cross and Red Crescent Societies, said that given the deteriorated state of hospitals in Kinshasa, the virus could pose serious problems.

(Reuters, AP)

**GERMANY: Greens to the Fore**

Continued from Page 1

Social Democrats — have been wary of coalition with the left-leaning Greens, viewed by traditionalists as political loose cannons whose foreign policy, rooted in their one-time pacifism, favors a broad and vague European security arrangement over Bonn's longtime commitment to NATO.

The Greens' political platform, moreover, is based on the idea of levying special taxes to finance an ecologically sound reform of industry and transport based on conservation and new technology. The taxes would be raised on energy, fuel and waste disposal.

Since the Greens shed their radical wing in an internal power-struggle in 1991, however, the party, in alliance with a former East German pro-democracy group called Alliance 90, has cultivated a less radical image.

In a land where householders use three different kinds of color-coded garbage bins to help recycling and dispose of glass in three different containers, depending on the color of the glass, the advance of an environmentalist party is barely surprising.

The Free Democrats got 4 percent down from 5.8 percent in 1990.

The voting in Bremen followed a similar pattern.

Monday that the vote showed that Germans as a whole wanted a "red-green coalition," or alliance of Social Democrats and Greens.

Since national elections in October, Chancellor Kohl's coalition with the Free Democrats has survived with only a 10-seat majority in the 672-member Bundestag. Even then, the Greens secured 49 seats compared with the Free Democrats' 47 seats.

The Free Democrats' chairman, Klaus Kinkel, who is also Germany's foreign minister, sought Monday dismissal of his leadership as under threat, declaring: "I have never considered resigning."

The provisional, official results showed that the Social Democrats' share of the vote in North Rhine-Westphalia had slipped from 50 percent to 46 percent. Mr. Kohl's Christian Democrats increased their share from 36.7 percent to 37.7 percent.

The Free Democrats got 4 percent down from 5.8 percent in 1990.

The voting in Bremen followed a similar pattern.

Continued from Page 1

feared in a region hard-hit by AIDS is of having been infected with HIV, which causes the disease.

A survey in Kigali and several other prefectures by the Ministry of Family and Women's Affairs estimated that between April 1994 and April 10, 1995, more than 15,700 women and girls between 13 and 65 years old were raped; more than 1,100 gave birth, and 5,200 had abortions. The ministry also counted more than 10,000 pregnancies, but it was not able to track those women during the pregnancy or ascertain what they had done with the babies.

In the ethnically charged atmosphere of Rwanda, where government officials say that there are 250,000 widows and 300,000 orphans or unaccompanied children, the future of these half-Hutu half-Tutsi infants is uncertain. To maintain their anonymity, the Rwandan government classifies them as "genocide orphans" and places them in orphanages.

According to a report, "Rape as a Weapon of War in Rwanda," financed by the French relief agency Doctors Without

Borders, rape was "systematic,

**BLAST: China Unnerves Neighbors**

Continued from Page 1

day it as "perpetuating nuclear discrimination," The New York Times reported from New Delhi.

"Essentially, the indefinite extension of the Nonproliferation Treaty means that the international community has accepted the institutionalization of nuclear double standards," an Indian government spokesman said. "This is conferring legitimacy on these double standards."

India wants all nuclear weapons to be destroyed and all nations with nuclear capability, such as the United States, Russia and Britain, to give up their arsenals.

Other nations, such as India, South Africa and Israel, have nuclear weapons capability but do not admit to possessing nuclear weapons. China is believed to have the smallest arsenal of the declared nuclear powers, with 250 to 300 warheads.

The voting in Bremen followed a similar pattern.

## EUROPE

**Killing Sets Off a Wild Run for a Seat in Russia's Duma**By Lee Hockstader  
Washington Post Service

KASHIRA, Russia — America has the O.J. Simpson trial, but for sheer entertainment in Russia, it was hard to top the election in the 107th District, southeast of Moscow, to fill a vacant seat in Parliament.

This was the election that had it all: murders, sex appeal, chilling televised threats, fascists, Communists, outlandish promises and even a popular former cosmonaut.

All the 107th District lacked, alas, was a genuine democratic candidate.

"We're not really sure what a democrat is any more," said Nikolai 44, a local policeman who expressed the general bewilderment. "We get all mixed up because there are so many different parties, and we have no idea who does what."

The genesis of Sunday's election was a murder. Actually, two. Sergei Skorochkin, who won the district's seat in 1993 to the Duma, Russia's lower house of Parliament, killed a local businessman last year. Mr. Skorochkin, a liquor

manufacturer, said he shot the man in self-defense, and in any event he claimed immunity from prosecution as a member of Parliament.

Then, in what seemed a revenge killing, Mr. Skorochkin was kidnapped and shot through the head in February. Russian newspapers portrayed it as a mafia-style execution.

The resulting open seat was a dubious prize; the winner will serve only until December, when new elections are scheduled. Nonetheless, the chance to win a seat in the Duma drew 11 candidates, most of whom do not live in the district. Perhaps a third of the 525,000 possible voters turned up to cast ballots.

The most notorious candidate was Alexei Vedenkin, 30, who once was jailed on charges of counterfeiting and extortion. He has a fondness for founding political parties whose emblems bear a swastika and a profile of Hitler.

Early this year, he threatened on national television to kill Sergei A. Kovalev, the human-rights commissioner, for criticizing the Kremlin's war in Chechnya. In the resulting uproar, Mr. Vedenkin was arrested and charged with threatening murder. Then he declared his candidacy

for the Duma — a job, political analysts noted, that would give him immunity from prosecution.

If Mr. Vedenkin was the Beast of the race, 24, a svelte former model and the wife of a famous Moscow speculator, Sergei Mavrodi caused an uproar last summer when the huge investment fund he headed went belly up, bankrupting millions of Russians.

Officials called him a swindler and under threat of prosecution, Mr. Mavrodi ran for the Duma — for another seat left vacant by a lawmaker's murder. He won, thereby gaining immunity.

It was rare, but when Yelena Mavrodi appeared in public, wrapped in mink and transported by a white Mercedes-Benz, she was flanked by bodyguards and a spiritual adviser.

Then there was Lieutenant Colonel Stanislav Tereshkov, a militant nationalist and anti-Semitic who led an assault in connection with the rightist uprising against President Boris N. Yeltsin in October 1993. He was jailed and investigated for the death of a bystander killed by a stray bullet.

The other candidates included Valentin Minaev, a top deputy of the nationalist politician

Vladimir V. Zhirinovsky, and a couple of lesser known extremists of nationalist and Communist persuasion who favored closing down the free press, reconstituting the Russian empire and cracking down on criminals and homosexuals.

Perhaps the only local contender who appeared to have some support was Nikolai Lopukhov, 25, the owner of a consumer goods store. His campaign technique was concrete: he offered to give away 20 televisions and a car to winners of a lottery open to anyone who voted.

In the end, however, the winner was Gherman Titov, a former cosmonaut who was the first person to fly in space for more than 24 hours.

General Titov, who was named a Hero of the Soviet Union, made a two-day space flight in August 1961, less than four months after Yuri Gagarin became the first human in space.

General Titov, 60, running as an independent, won only 8.5 percent of the approximately 229,000 votes cast, but that proved enough. The electoral commission said Monday that he finished ahead of Mikhail Guberman, the director of a textile company, and that Yelena Mavrodi was third.

## BRIEFLY EUROPE

**EU and Morocco Open Fish Talks**

BRUSSELS — The European Union and Morocco started a fourth round of talks Monday to try to conclude a new fisheries agreement, as tension mounted among idle Spanish fishermen, an EU official said.

One fisherman was hurt Friday when about 150 Spanish fishermen clashed with police as they tried to block imports of Moroccan fish at the port of Almeria in southern Spain.

The Spanish fleet, which was forced to leave Moroccan fishing grounds after an EU-Morocco fisheries accord expired at the end of April, held 650 of the 730 licenses for catching sardines, octopus and hake in Morocco's rich fishing grounds.

The EU external trade commissioner, Sir Leon Brittan, pledged last week that the European Union would do its utmost to get a good fishing deal for Spain.

"I assure you the EU understands the enormous importance of this issue to Spain and will do its absolute maximum to achieve a result which is in the interests of Spain and the interests of the EU as a whole," Sir Leon said in Madrid.

The Moroccan agreement is the EU's most important foreign fisheries deal, providing a livelihood for 28,000 fishermen and fish processors in southern Spain, the Canary Islands and Portugal. In exchange for fishing rights, the EU paid Morocco about \$130 million a year under the previous three-year agreement.

(Reuters)

**Italy Concedes Immigrant Problem**

ROME — Defense Minister Domenico Corcione, responding to German criticism, said Monday that Italy was having problems stopping illegal immigrants entering Europe along its eastern shores.

He was quoted by Italian news agencies as saying at a Western European Union meeting in Lisbon, "We cannot deny that there is a problem with our borders being violated." The German interior minister, Manfred Kanther, told a newspaper that Italy was disregarding the spirit of the Schengen accord by letting hundreds of illegal immigrants into the European Union daily.

Mr. Corcione said the Interior Ministry's request for troops to help local police patrol the southeastern Adriatic coast "confirms the problem exists." About 700 troops arrived in the southern Puglia region Wednesday to help stop a steady stream of Albanians, Turkish Kurds and refugees from the former Yugoslavia who have been entering Italy in small boats from Albania.

(Reuters)

**Extension Is Urged on EU Parley**

LONDON — A planned 1996 conference on the shape of the European Union should be extended by one or two years to allow difficult issues to be thrashed out fully, the European Policy Forum, an independent, pro-European British research institute, said Monday.

The group rejected two possible outcomes of the intergovernmental conference — agreement on a stripped-down agenda, or a leap forward by a core of countries — as illusory and dangerous. In a report, the forum said a solution would be to delay the start of the conference to allow proper preparations in hope of reaching a conclusion in late 1997 or 1998.

(Reuters)

**Sex Wars in the British Military**

LONDON — The war of the sexes hit the British military on two fronts Monday when four homosexuals challenged its ban on homosexuals and the Defense Ministry admitted it had unlawfully treated women worse than men.

In a test case brought by three former servicewomen, the Defense Ministry admitted liability after it paid women who took early retirement from the army less than it had paid men. The ministry settled out of court. An army spokesman said he did not know how much the three women had been awarded.

Separately, three gay men and one woman dismissed from the armed forces went to the High Court to challenge Britain's ban on homosexuals serving in the military. The four claimed the ministry had violated their rights under European equality laws by contending that homosexuality is "incompatible with military service."

Gay activists argue that several other NATO member countries allow homosexuals to serve without problems, although recent changes in U.S. law have provoked anger on both sides.

(Reuters)

**Calendar**

European Union events scheduled for Tuesday:

STRASBOURG — European Union meeting on the sidelines of the European Parliament session. Growth projections for 1995-96 to be presented and proposals for financial support for Ukraine to be discussed.

BRUSSELS — European Monetary Committee discusses Commission report on excessive deficits of the EU members.

LUXEMBOURG — President Mary Robinson of Ireland visits the Court of Auditors, European Court of Justice and the European Investment Bank.

LONDON — The EU president, Jacques Santer, meets with Prime Minister John Major of Britain and addresses the Confederation of British Industry.

Sources: Agence Europe, AFP.

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Eric F. Maru/Agence France Presse

A Sarajevo clearing land near where a woman was killed earlier Monday by snipers.

**Peacekeepers Ordered to Stay Low**

Reuters

SARAJEVO: Bosnia-Herzegovina — United Nations troops in Sarajevo have been ordered not to risk casualties in clashes with Bosnia's warning sides while UN chiefs review the mission's future, peacekeeping sources said Monday.

They said that Major General Hervé Gobilliard, the French commander of the UN force in the city, had told his officers: "I don't want to accept any more casualties. Under no circum-

stances will we engage either warring party" in any way that might jeopardize peacekeepers.

Unprovoked attacks in Sarajevo have resulted in the killing of one Ukrainian and two French soldiers.

The shootings, growing Serbian restrictions on UN operations in the city and a refusal by the UN mission chief, Yasushi Akashi, to enlist NATO help prompted military commanders to demand a review of their mandate.

The French have stopped trying to prevent the rebel Serbs from removing weapons that have been impounded in UN arms dumps.

UN sources said recommendations for change were under discussion and would be sent to the Security Council later this week. Until a new mandate is announced, the mainly French UN force in the Bosnian capital apparently will do nothing to cause a confrontation.

But 7,200 Croatian Army regulars, backed by tanks, fighter planes and artillery, recaptured the smallest chunk, reducing the Serbian-held area to 24 percent, in only two days.

Mr. Martic responded to this trouncing by ordering an attack

on Zagreb with Orkan rockets. Among the targets hit were the Zagreb Children's Hospital and a rehearsal hall near the national theater, where a foreign ballet troupe was practicing. The attacks over two days killed six people and wounded 200, including 21 children.

In the interview, Mr. Martic, 41, a former traffic policeman, said he felt justified in ordering the rocketing because he was aiming at military installations.

"I am very sorry if civilian targets were hit because our aim was to hit military targets," he said.

But this was only a warning, Mr. Martic insisted. "If something happens in the future, we will not only hit military targets with our rockets but launch infantry attacks at towns that were Serbian before — like Karlovac and Osijek."

In addition, he stressed that the Orkan attack was a mild response to the invasion. His forces also possess a more powerful weapons system, known as Luna, a smaller version of the Scud missile system used by Iraq during the Gulf War.

In the interview, Mr. Martic ruled out any more direct talks with Zagreb unless it gave up the recently recaptured enclave. He also rejected the deployment of United Nations troops on the border of his territory with Serbia and Serbian-held Bosnia.

UN military officers have predicted an offensive by Croatian and Bosnian Serbs to widen a corridor around the Bosnian Serb-controlled town of Brcko, which both groups of Serbs rely on for supplies from rump Yugoslavia, which consists of Serbia and Montenegro.

The chief of the rebel Serbian armed forces in Croatia has resigned after the defeat of his troops this month in a section of Krajina, Reuters reported. General Miljan Celekovic asked Mr. Martic to "relieve him of his duties" because his promise "that not one centimeter of territory would be lost was not upheld."

**Body of U.S. Aide In Chechnya Is Believed Found**

New York Times Service

MOSCOW — The body of a U.S. aide, Frederick C. Cuny, the American disaster relief expert who disappeared last month while on an emergency mission to Chechnya, was found in a village south of Grozny, officials said Monday.

"The president is very pleased that his policies coincide with the view of the people," said Vladimir Zatulin, a spokesman for the president.

"He will make public his plans for the future very soon."

But there was no official confirmation that the body is that of the 6-foot-6-inch (1.98-meter) Mr. Cuny, and there may not be for several days, U.S. Embassy officials in Moscow said. But because of his unusual height — particularly in that region, officials with knowledge of the case said — it seemed unlikely that the victim was anyone else.

The body, discovered by boys in a settlement near the town of Shali, had two bullet holes in the head. The body will be taken to Ingushetia, which borders Chechnya, on Tuesday so that it can be identified.

But a debate over earmarking troops for WEU operations and paying for improving the organization's structure revealed sharp differences over the effort

to create a common European security architecture.

The issue promises to dominate a review next year of the course of European integration in the wake of the Maastricht treaty, a review that is shaping up as a battle between advocates and opponents of a more federal Europe.

The organization, which is seen by some as a future defense wing of the European Union, endorsed a plan to create a group to coordinate military operations in the Mediterranean, a situation center and an intelligence wing.

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But a debate over earmarking

## Who Needs Car Wars?

In a furious exchange of threats, the United States and Japan have brought their long quarrel over automobiles to a new level of mutual exasperation. The Americans say they are going to punish the Japanese for running a largely closed market in car parts by imposing high tariffs on some of the Japanese goods coming into America — probably expensive cars. The Japanese reply that the high tariffs would violate international trade agreements, and they will appeal to the new World Trade Organization. To that, Washington says that it, too, will go to the WTO, with a broad complaint that the structure of the Japanese auto market makes it almost impossible for outsiders to compete.

What are we supposed to think about all this? The first American complaint, about replacement parts, is by all accounts well founded. It is a highly protected market. But the Japanese are right in charging that unilateral sanctions by the United States would be illegal. Why is the United States employing an illegal weapon? Because Congress likes sanctions and keeps pressuring the administration to use them.

As for the broad American charge that the Japanese market is deliberately run in ways hostile to imports, it is true in general. But that kind of industrial and social organization may not violate any specific

rules in the international agreements. It is quite possible that the WTO might rule that it has no jurisdiction. That is another reason why the Clinton administration is relying on the sanctions. They make legal difficulties, but they tend to get the attention of the Japanese, who have been shrugging off the U.S. complaints for years.

The Japanese government should consider that Bill Clinton has pushed open trade bills consistently and courageously, at the cost of dividing his own party, and that he now needs to demonstrate that America's open trade policy pays off. Japan, which benefits from this policy more than any other country, would be uncharacteristically obtuse to stiff him with an election year ahead. But the Clinton administration needs to acknowledge that the American automobile companies have only recently begun to make a serious effort to sell cars in Japan — and some of the practices of which they now complain, like the tight relations between factories and dealers, were standard in America until a few years ago.

Let us hope that the two governments keep talking seriously while the legal processes grind along. Neither side has an entirely compelling case, and the outlines of a decent compromise are visible.

— THE WASHINGTON POST.

## Rushing to Jerusalem

Bob Dole, the Senate majority leader, and House Speaker Newt Gingrich have managed a rare feat in the contentious Middle East — uniting the Israeli government and the Palestine Liberation Organization against their efforts to move the U.S. Embassy from Tel Aviv to Jerusalem. The legislation introduced by the two Republicans would rush ahead of a second round of peace talks beginning next year that is supposed to address Jerusalem's status. Israeli and Palestinian leaders understandably see this legislative intervention as ill-timed and a threat to the already wounded peace talks. Fortunately, the Clinton administration is alert to the danger. Similar legislation to move the embassy was vetoed by Ronald Reagan in 1984.

Israel, which considers Jerusalem its capital, cannot formally oppose the Republican bills, but Prime Minister Yitzhak Rabin, on a visit to Washington last week, made plain his view that raising the embassy issue now embarrassed his government and primarily served the interests of Israel's hawkish opposition party, Likud.

The Palestinians, despite Israel's insistence that Jerusalem will forever remain unified, envision the old eastern part of the city as the capital of a hoped-for Palestinian

state. As part of the Oslo peace agreements, Israel agreed to begin formal discussions on Jerusalem's status starting in 1996. Meanwhile, Mr. Rabin's government has stirred up controversy of its own over Jerusalem by seizing two tracts of Palestinian land in and around the city. The PLO and its Arab allies accuse Israel of preempting next year's status discussions by creating new realities of ownership on the ground.

On Friday, France brought the land seizures issue before the United Nations Security Council. Israel feels that it is within its rights affirming Jewish sovereignty over the whole city but says it intends to take no more land for housing in Jerusalem without first negotiating with the Palestinians.

Real progress toward Middle East peace has come not in international organizations but in direct talks between the parties concerned. The right forum for sorting out all issues related to Jerusalem is next year's talks between Israel and the PLO. Both sides wisely agreed at Oslo to defer the most sensitive issues to a later stage of the peace process. No issue is more sensitive to both than Jerusalem.

— THE NEW YORK TIMES.

## Hunger and the Bank

One out of every eight people in the world — some 750 million of them — is going hungry amid an abundant worldwide supply of food. That number is slowly declining, but even by the year 2010 more than 600 million are likely still to be suffering from severe hunger, unless more can be done to prevent it.

The World Bank, the largest and most influential of the international development agencies, recently brought out a strategy statement on reducing poverty and hunger. It was the result of much conversation between the bank and some of its critics. The most common charge was that the bank paid too much attention to abstractions of macroeconomics and not enough to what was happening in the villages and urban slums of the Third World. This reconsideration of fundamental strategy was begun under the leadership of the bank's late president, Lewis Preston. It will be up to his successor, James D. Wolfensohn, who takes office next month, to carry out the job.

The bank firmly and properly defended the proposition that economic growth is essential and that without steady growth little can be done for the poor and hungry. But it acknowledged that growth alone will not eliminate chronic hunger. All of the aid agencies have learned a lot over the years about what works, and the bank emphasized the need for at least rudimentary health care and access to education — specifically, nutritional education. People need clean drinking water, and they need basic social services, including family planning information. The countries making the most rapid progress against hunger are those that have managed to provide both economic growth and social services.

Most of those countries are in East Asia. In 1970 a half-billion people there suffered greatly from hunger. By 2010, if the region stays on track, the number will be down to about 70 million. With good policy, even poor countries can make rapid progress in diminishing hunger. One outstanding example is Indonesia,

where the average income is about \$700 a year. In contrast, malnutrition is rising rapidly in sub-Saharan Africa. Fewer than 100 million people went hungry there in 1970, but, according to one projection, that number will have tripled by 2010.

That brings up a point with which the bank can deal only obliquely. The bank is run by governments and generally works through governments, and it can hardly be expected to plunge into every country's internal politics or philosophy. So its strategy for eliminating hunger has little to say about the distribution of income, which is shockingly unequal in much of Africa and nearly all of Latin America. This is relevant to the condition of poor people, although not something the bank itself can take on in a frontal or comprehensive way.

Reducing massive, chronic hunger is central to the bank's work, and over the coming decade the bank's effectiveness can be fairly judged by its success in pulling down those ominous numbers.

— THE WASHINGTON POST.

## Other Comment

### Chirac: Talk and Action

It is no secret that Jacques Chirac's election as president of France met with an unenthusiastic response in Bonn — the Kohl government would have preferred Jacques Delort or even Edouard Balladur, both far more committed to European integration than the apparently nationalist-minded Mr. Chirac. Yet the fall of the Iron Curtain and the reunification of Germany have effectively moved the center of gravity in Europe farther east, and Mr. Chirac will have to live with that fact. In practice, his policies inevitably will be based on close cooperation with Bonn and further European integration but, if only for domestic political considerations, he may continue to pay lip service to the old Gaullist ideal of France as a great power.

— *Neue Zürcher Zeitung* (Zurich).

## Liberation or Defeat for Germany? Both, of Course

By William Pfaff

PARIS — These have been difficult days for Germans, determined to celebrate the Allies' victory over their own armies in World War II, and to consider that defeat as their own national liberation — which objectively it was, but subjectively was not.

Germany's representatives, and even German soldiers, were present at some Allied celebrations of V-E Day, as in London and Paris, but inconspicuously. The Germans' own observance of Germany's victory/defeat was controversial from the start because the government invited to the main ceremony in Berlin on Monday afternoon only representatives of the Allies' great powers.

Left out were such significant victors as Poland, which lost not only to Germany but to Germany's oncetime ally, the Soviet Union, which after V-E Day imposed more than 40 years of its own ideological despotism upon the Poles.

Part of the German V-E Day observance in Berlin was reopening the restored Grand Synagogue in that city. Three days before, another synagogue, in Lübeck, had been set afire by a criminal attack, and more than a hundred graves of Nazi victims in Berlin itself were profaned.

The intellectual class has for many months carried on the old debate over Germany's historical responsibility for the atrocities of Nazism. They draw from that a debate over the military and security policies permissible to Germany today.

The first part of the argument has seen conservative historians contend that while Hitler and his followers were undoubtedly responsible for aggression against Germany

which, while they may not always be identical with those of Germany's neighbors or allies, need not be hostile to them.

A certain utopianism, which may be equated with escapism, has existed on the German left since the war, and certainly since the 1960s when the Vietnam War brought to an end the period when the German left looked to the United States as a model of democratic society.

The events of the late 1960s created not only the high-minded ecological and anti-nuclear and pacifist movements in Germany but also the terrorist bands of the 1970s, convinced that any conservative development in Germany implied a return of Nazism, which had to be resisted at any cost.

Such ideas remain an unresolved influence on German politics. What in other countries would be taken as a realistic and responsible conservative political position can find itself attacked in Germany as leading encouragement to neo-Nazism. The most recent "historians' debate" produced appeals by conservative scholars and commentators for a "normal" German nationalism. Critics saw this as undemocratic and dangerous.

The public controversy has also seen V-E Day presented in terms of Soviet conquests, rape and pillage, deportations, exactions and the imposition of totalitarian Communist government in East Germany. It is true. V-E Day undoubtedly was followed by all that.

V-E Day also constituted an indispensable defeat for German arms, creating the Nazi government and party, giving victory to the Allies and creating conditions in

which West Germany could become an exemplary democracy and the European Community could be created.

This all went together. The reason it all went together is that Germany itself had compelled the Western democracies, against their will, to join themselves with Germany's great victim in the east, the former German ally that Germany attacked in June 1941. Stalinist Russia, in order to save themselves from Germany's aggression and from Nazism's geopolitical and racist ambitions.

Surely it all has to be understood as a nexus of interacting events, tragic in its consequences for all, but over and done with now. It is part of the past, but it is also fact. It is a historical fact for which the generations now politically mature bear no responsibility, and for which they deserve neither blame nor credit.

It is the common past: German, Russian, British, French, Polish, Czech, American — part of the past of all those who took part in these terrible events. The challenge today is to take it past seriously, learn from it, but to take it in its totality. Germany reaped in 1945 what it had sown from 1938 to 1944. Europe and America after 1945 took the consequences of what had been going on since 1918 in Russia and since 1914 in Germany.

We now deal with the consequences of 1945-1989. It is reassuring, in looking beyond 1995 to the new century, that in a Fars poll of the German young, from 14 to 21, 79 percent see V-E Day as a liberation — as indeed it was.

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## From Middle East Arms Control Talks, Some Pointers for East Asia

By Gerald Segal

LONDON — Far north of the Middle East, and well hidden behind a veil of secrecy, the Arms Control and Regional Security part of the Middle East peace talks will convene in Helsinki on May 29. Known by its initials as ACRS, this virtually unreported feature of the peace process has already achieved a great deal. For that reason, some people in Arab countries and in Israel are anxious to bring it to a halt.

Egyptian officials portray the Helsinki meeting as "make or break." But now that Egypt has backed away from blocking indefinite extension of the Nuclear Nonproliferation Treaty, Helsinki, a name firmly attached to the landmark agreement in 1985 on European security, is likely to be associated with yet another success in the arms control field.

For those in Asia who claim

that they have little to learn from other people's arms control arrangements, the gathering in Helsinki is a challenge to do better. Senior officials from 18 Asia-Pacific nations who will meet in Brussels early next week to discuss an agenda for a ministerial-level conference on regional security problems later in the year take note!

The ACRS negotiations have demonstrated that innovative arms control can take place beyond the Euro-Atlantic world. Its first clever decision was to accept an à la carte approach, allowing states to join the process as they see fit. As a result, there has been little haggling about membership questions of the kind that have bedeviled East Asian arms control.

Another imaginative move was to obtain the services of "mentors" — Europeans and North Americans willing to sponsor parts of the ACRS process and even to open European arms control events, such as military exercises, to outsiders to show how the procedure is carried out.

Canadians took on responsibility for teaching military confidence-building techniques for which ACRS participants adopted the best practices from the Conference on Security and Cooperation in Europe. The Canadian effort, which initially made rapid progress, is on hold because publicity created suspicions that some parties were deliberately sabotaging the process. Yet discussions continue on how to apply an Incidents at Sea agreement and develop cooperation in international search and rescue.

Other measures have been agreed upon, including exchange of biographical details of senior officers and the structure of defense establishments. Some military industry sites have been opened for multilateral inspections. There was even one occasion when Egyptians visited a declared Israeli nuclear site.

A regional communication center is to be set up in Amman, with sub-offices in Qatar and Tunisia. Pre-notification of major military exercises has been agreed to. Russia has been instrumental in helping to create a data base that will eventually be run from the Middle East with computer terminals around the region.

Middle East participants are quick to note the advantages of such arrangements, especially since there were so few channels until recently for detailed ex-

changes between decision makers. One of the virtues of the ACRS process has been the way in which coalitions of countries have shifted in the Middle East. On a number of issues, some small Gulf states have sought closer relations with Israel. Many Arab participants saw the process as a way of restricting Egyptian dominance of the Arab world. It seems that confidence is built in unexpected ways once arms control gets under way.

Of course, there is much more to be done. There has been little discussion of verification measures, largely because Israel is the only state in the region with its own satellites and sees no reason to help take steps that would reduce this advantage. It also resists any consideration of nuclear weapons until the wider Middle East negotiations make more progress and other states such as Iran and Syria are drawn into the process.

Sometimes the blockage comes from unexpected sources, for example when the United States resisted proposals that would restrict the operations of its Sixth Fleet in the region.

One important lesson from the ACRS talks is that while arms control can help build a better atmosphere of confidence for the Middle East peace negotiations, it cannot move much further ahead of the wider political détente. The current fragility of the ACRS process reflects concerns about possible collapse of the Israeli-Palestinian talks.

Still, the ACRS channel shows that arms control and Euro-Atlantic experience in this area are not culturally specific phenomena. Like science and technology, they can be applied to other regions.

Countries in East Asia appear all the more myopic when their officials resist not only the recent evidence of confidence-building agreements along the Chinese-Indian frontier but also the more far-reaching successes in the Middle East. Perhaps such new European efforts as the European Council for Security Cooperation in Asia-Pacific, which meets in Bonn this Wednesday, can help export some of the ACRS lessons to East Asia.

So far, East Asian nations seem content to go through the motions of regional arms control. But as rapid growth of their economies leads to military modernization while territorial and other disputes remain unresolved, a serious effort is becoming more urgent. If they remain reluctant to listen to Europeans, perhaps they might pay more attention to lessons from the Middle East.

The writer is a senior fellow at the International Institute for Strategic Studies and director of Britain's Pacific Asia Program. He contributed this comment to the International Herald Tribune.

## Playing Politics With Jerusalem Hurts Peace Chances

By Akiva Eldar

They saved this manipulative announcement for the national conference of the American Israel Public Affairs Committee.

For Jews, Jerusalem is motherhood and apple pie. Recognition of a united Jerusalem as the capital has been a pillar of the American Jewish community's political agenda. Thus, while many in the leadership of the American Israel Public Affairs Committee and the Israeli government know that this move is fraught with danger, their hands are pretty much tied.

Where he was in the years when it was possible to relocate the embassy without endangering the non-existent prospects for peace? On Sept. 13, 1993, with the signing of the Declaration of Principles, Congress witnessed the first step toward ending the long conflict between Israel and the Palestinians. The agreement included a commitment to postpone discussions on Jerusalem to negotiations scheduled to start in May 1996.

Until these talks take place, it is counterproductive to change diplomatic facts on the ground by building a chancery in Jerusalem.

For presidential wannabes this issue is irrelevant. For me, a Jerusalemite, it is all too relevant. Some of my closest friends fought and died for a united Jerusalem. As residents of the city, we Israelis struggle to find the proper balance between Jews and Arabs, secular and religious Jews, and the right and the left.

Israeli politicians' actions are more than enough to erode our efforts to maintain peaceful coexistence among all the inhabitants.

Jerusalem does not need politicians in Washington to further disturb its delicate balance.

At a critical moment when Israel is trying to build a new relationship with the Palestinians and the rest of the Arab world, this political expediency surely will embarrass Israel's Arab partners.

Because of the Dole-Gingrich maneuver (which right-wing American Jews applaud), Yasser Arafat, King Hussein of Jordan and King Hassan of Morocco find themselves collaborators in a "plot" to rob the Arabs of any rights to Jerusalem.

Many Israelis strive to foster unity in the real Jerusalem. Mr. Dole, who lives in a metaphysical Jerusalem, the Dole-Gingrich gambit is likely to backfire in ways that will alienate the true friends of Jerusalem.

The writer is Washington correspondent for the Israeli daily Haaretz. He contributed this comment to the New York Times.

mental disturbance reflects itself in bodily disturbance.

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1895: Serbia Is in Debt

PARIS — [The Herald says in an editorial:] King Alexander of Serbia has at last found a Minister of Finance, but the Minister has found no money in the coffers of the State, and his first care has been to warn the creditors of Serbia that he does not yet know how he is to pay them. This is frankness, no doubt, but creditors prefer money, and those of Serbia must be the more uneasy because these declarations do not promise well.

What did Washington expect? It is bad enough to have an ineffectual foreign policy. It is worse to highlight that ineffectiveness by inviting repeated public rebuff.

Iran diplomacy is only the latest example. The tone was set with Mr. Christopher's first trip to Europe in 1993, where he

showed himself muscular in international economics: negotiating free trade agreements, opening markets, winning foreign contracts. Not since Calvin Coolidge has America had a president who so firmly believes that the business of America, at least in foreign policy, is business.

The Washington Post.

PARIS — The newspaper "Red Star" reported today [May 15] that the body of Dr. Paul Josef Goebbels has been found in the vast underground city beneath Berlin. The Nazi propaganda chief and his wife and children had committed suicide. This underground city, about sixty feet below the surface — safe from bombs — contained factories, offices and arsenals, all linked by electric railroads. Herr Goebbels, Goering and other prominent Nazis had luxurious apartments. In other sub-level dwellings, large families were found huddled in the corners under dim kerosene lights, where they had lived since 1942. A

Course

## Calling Democrats' Bluff, They Offer a Real Budget

By William Safire

**WASHINGTON** — Republicans may play a mean, low-down political trick on Democrats still railing at proposals to stem the tide of red ink: to put the budget submitted to Congress a few months ago by President Bill Clinton up for a vote.

You may remember his pum-and-pray, you-go-first budget — not only was it "dead on arrival," it was dead before it started.

Mr. Clinton had made few choices needed to slow the growth of the deficit. Instead he projected another trillion dollars in debt over the

**The debate has shifted rightward, leaving no need for Perot's third party.**

next five years — even assuming steady growth and low interest rates, which won't happen if such government borrowing continues apace.

Everyone knew that the Clinton budget was not to be taken seriously; it was his way of saying "You won the election; you balance the budget." Rarely do presidents so completely abdicate their economic responsibility. He changed "The president proposes, the Congress disposes" to "The Congress proposes and disposes while the president treads water."

However, to ingratiate himself with the voters who rejected his party, he included a me-too tax cut. That compounded his mistake.

Now the nation is engaged in a great budgetary war. Contrary to Mr. Clinton's expectations, the feisty Republican House and the sacerdotal Republican Senate met his challenge and came up with what Democrats considered impossible: seven years to budget balance.

Nor do the Republican proposals "cut" actual spending. They follow the precept of the Civil War general to a gimmer to "elevate them slightly a little lower."

But it is undoubtedly a Mori Sahl budget. ("Is there anybody I haven't offended?") The lobbies of gezers and greeners, of veterans and farmers, of root casuists at the Justice Department and corporate welfare queens of Commerce are stunned.

You can feel the moral high ground move. Having smugly asked "What's your specific alternative?" — and having received a serious answer — Democrats now find themselves embarrassed at being asked the same question.

All they have in the way of an answer is the old Clinton budget, which won't do. If Bob Dole and Newt Gingrich bring the consolidated Pabulum of that Panetta-Rivlin compromise to a vote, congressional Democrats will be forced to desert Mr. Clinton, lest they go on record as deficit doves.

That is why you can sense a Democratic fall-back position in preparation. Farewell to Mr. Clinton's long-promised "middle-class tax cut," now seen by congressional Democrats as a wrong-headed response to the electoral debacle.

Those unreturned billions will be proposed to be sprinkled over endangered liberal programs — national service's subsidized volunteers, public broadcasting, education under federal standards, the arts — to shore up core constituencies and show Democrats resisting this year's Sam-hedin of skimping.

This means that the debate is no longer between budget balancers and the defenders of debt. It is now between balancers including a tax cut (with spending restraints in the near years) and balancers without a tax cut (with a slowing of spending back-end-loaded). That is a huge shift in argument, as borrowing is no longer seen as a gift to the old but as a theft from the young.

The best way to redirect the nation is with the stronger government spending restraint plus tax rate reduction. As Napoleon advised a temporizing general, "If you are going to take Vienna, take Vienna."

However, with the veto power still in Democratic hands, conservatives may have to settle for spending restraint first, tax cuts later — in effect, taking the suburbs now and the citadel in 1997.

What is the immediate political effect of this rightward shift in the debate? It means that Perot voters no longer need a third party to express their disgust with the unwillingness of major parties to come to grips with the deficit. Of five United-We-Stands, three are likely to go Republican, one Democratic, one home.

Smart Democrats understand this, which is why Bill Clinton keeps taking credit for having reduced the deficit last year. It is why Democrats are abandoning the "deficit as percentage of GNP" weaseling and are scrambling to get aboard the anti-deficit bandwagon. And it is why Republicans are so eager to be certain that voters know the impetus for budget balance comes from them.

*The New York Times.*

## OPINION/LETTERS

### Golden Waterfall, String of Deer, Peepers' Song: Spring

By Edward Hoagland

**B**ARTON, Vermont — If you have a holey old cast-iron wood stove, you know what a constant preoccupation fussy feeding it can become. The phoebe, cardinals and grosbeaks sing. A deer, well-camouflaged, drifts down a line of trees. And you stuff the maple and birchwood in.

Meanwhile, the dog jumps into an easy hole to sit in. He has found an owl roost-tree and has been eating owl pellets.

#### MEANWHILE

lets — the indigestible hair and other stuff that owls upchuck an hour or two after a meal. Unfortunately he's been coughing these up too.

The owl last night was hooting at its young, which aren't learning to fly very well, just desperately launching themselves from tree to tree down our little valley. How will they ever flap back?

The upland corner of my field is a wild turkey gobbler's parade ground every morning for three or four weeks in the spring, then later a coyote family's rendezvous point in the evenings for about as long every fall. For the turkeys those few, old-field acres are a brief stage set for courtship bluff and pomp.

For the coyotes — who are giving birth to their pups in a ledge, precipitous hideaway a mile away at about the same time — that patch of rough high-up grassland is also a theater for training April's pups in October adolescence — in hierarchy and howling, teamwork, play and discipline — but with a

precautionary view of possible dangers below.

I can hear ravens, woodcock and wood frogs simultaneously from my house. Frogs are disappearing all over the world, according to many accounts. But by digging two modest polywog ponds down alongside my stretch of stream, where snowmelt and springwater collect, I've greatly increased my land's quota of frogs: five or six species — the stream itself may have eight. Lone ducks or a pair will land occasionally and stand up in the water flapping their wings as if to draw in more birds, once they've explored.

The old farmer whose father had cleared this place — and who when I knew him a quarter-century ago was 80 years old — used to grow teary sometimes, seeing how his former pastures were thickening with alder brush or fir and poplar trees, after having been laboriously cleared.

But not in more than a century has the stream had so many frogs on it — green frogs, leopard frogs, pickerel frogs, bullfrogs, mink frogs, wood frogs, spring peepers, gray tree frogs — and moose and bear tracks.

Also red squirrels, flying squirrels, snowshoe rabbits; six of the latter held a conclave in my empty barn late last fall. Therefore the bobcats on the mountain are surviving all of the fin de millenium changes as well.

Turkey buzzards, previously a southern bird, wheel over, sailing on toward Canada. A fern expert tells me few areas in the country are richer in his specialty than this one.

And the various vivid mosses thrive so extravagantly — despite the snow and all — that green as a jungle macaw, they can cap whole boulders 10 feet (3 meters) long.

On the ridge is waterfall that freezes golden every January, or at least when the sun is out and reflects the sand embedded in the water just right. Another waterfall, near the coyotes' den, looks as blue as an iceberg's innards when lit up. But in the spring all of this falling water glitters silver, pewter, amber or obsidian-black in the changing light.

My favorite song, now is the peepers' chorus, more basic than birdsong, which it may have invented. In the later spring, when the peepers have finished mating and are silent, I like best listening to the toads — tardy breeders — more, even, than to the indigo buntings and the bubbly bobolinks or lovely meadowlarks.

They's is a very old song, quite Gregorian in sound, though amphibious and at a different pitch from the monks', yet to me as ecstatic. The year is so short for these cool-voiced creatures, they must catch it as they can.

When the grass first greens, and again after rutting season in the fall, the deer who live hereabouts will gather in a multitude, gamboling a bit, nuzzling or angling next to each other as if reacquainting themselves with the nucleus of the herd. I've seen as many as 14 together on these ritual occasions.

A friend staying at my house counted 23 does, yearlings and fawns strung out and descending from the orchard to the field.

My own rather parallel impulse as the seasons change is to climb the ridge facing

me. It is adorned, as you hike up, with several compact, oval beaver ponds, where the brooks run down. These are full of interest, and I may hear hermit thrushes, winter wrens, ovenbirds, and black-throated green, or black and white warblers. But I scramble above, to a pool of perhaps only my own length, where a small stream heads.

I know a number of these spots, lined with cinnamon or sulphur or yellowish leaves that blacken as they get waterlogged. But just where the underground spring that keeps the pool full all year comes in, you will notice a penny-sized, copper-colored dancing pavilion of leaping grains of sand. They dance perpetually, a trampoline fling, somersaulting and falling, then high-kicking again, like an inexhaustible hour glass upward-bound.

On a warm day, I watch happily till I'm rested from the climb, while my dog, Wally, salts redbacked mice and other forest delights, or chases a thunderstorm, racing at the "crack" with all the headlong recklessness with which Smoky, the dog I had before, went for porcupines, a more damaging enthusiasm.

On the other hand, we had intimate moments, Smoky and I, when he got quilled, because the best method for taking a dog's quills out is — face to face, mouth to mouth — to grip each quill with your teeth.

The old lore of the woods is being lost, but I offer that.

*The writer, an essayist and novelist, is author most recently of "Balancing Acts" and teaches literature at Bennington College. He contributed this comment to The New York Times.*

## LETTERS TO THE EDITOR

### Worried About Israel

Along with many other French citizens who feel both friendship and esteem for Israel, I feel deep concern for the Israeli's future.

We see Israel as being in a defensive position on essential matters. We wonder whether the likely consequences of the Oslo accords were weighed carefully in light of history's teachings. How is it that after 2,000 years of Jewish faithfulness to Jerusalem, the Parliament of the Jewish state could approve an agreement that eventually will have Israel negotiating its reconquered capital?

I know that most Israeli leaders say sovereignty over Jerusalem will not be shared. But it is ambiguous such as this that opens breaches in our walls, and not only to our enemies.

The result is plain to see: Never before September 1993 would anyone have imagined that Jerusalem's status could be questioned as boldly as it has been by the Arabs, and by some Westerners as well. Never before Oslo would these challenges

have reverberated as loudly in Israel.

We should keep in mind that no country has ever been able to assure mastery of territory except by the presence of ground troops. Missiles have not changed this fundamental truth: A country is attacked in the spot where it is undefended. A treaty with states not known for their stability cannot substitute for frontiers offering a minimum of strategic depth.

The Israelis are the first to hope for that happy time when they will no longer confront war or terrorism. But they would do well not to forget Bismarck's comment that no one is rich enough to buy off his enemy through concessions.

JEAN-THOMAS NORDMANN, Paris.

### Envy the Japanese Worker

*Regarding "Misdirected Anger" (Letters, May 3) from John E. Ray:*

I thought the world was aware that Japanese employers treated their employees better than those of any other nation — a key reason for Japan's

tremendous trading success. I do not believe that, as Mr. Ray says, "the hardworking and diligent people of Japan are not adequately rewarded." I spent seven years in Tokyo and worked for four years as a Japan Air Lines crew member. The Japanese were by far the best and most considerate employees I have ever had.

CHARLES H. MIXON, London.

### Such Destructive Hatred

It is with great anguish that I read of Patrick Buchanan's call for harsher measures against immigration to the United States, including a proposed five-year moratorium on immigration ("Buchanan Demands Halt to Immigration," May 9). It is inconceivable that he does not understand the direct link between the politics of verbal immigrant-bashing and the more violent street version of that same ideology. For concrete examples of this nexus, one need only look as far as the recent assaults on immigrants in France.

some of which have been connected to the National Front, the attacks on Turks in Germany by neo-Nazis, and the recriminations against Arabs in the United States following the Oklahoma City bombing, when the knee-jerk reaction was that this tragic act must have been the work of foreign infiltrators.

It is sad that Mr. Buchanan should forget the abject poverty that drove the Irish to the United States and the discrimination they faced upon arriving. That he should turn against those who now face similar conditions, and resort to the politics of division and hate, is shameful.

KIRK CHILDRESS, Paris.

The constitutional right to bear arms in the United States does not extend to rocket-propelled grenades and high explosives. The U.S. military can teach any idiot to shoot, but laws are needed to keep those idiots, once out of the military, from acquiring weapons of mass destruction. Nobdy's perfect.

LES ASTERS, Leysin, Switzerland.

### Hit It Again, Joe

What wonderful counterpoint in your April 20 sports section: Michael Wilson's column, which rises to the occasion of the now-legendary Joe Montana's retirement, and Sam Abt's splendidly ironic piece of the pooped but still peddling French bicycle team. Incidentally, I witnessed Joe Montana's greatest victory at Notre Dame Stadium, a 49-19 tear in 1977 against Southern California — and two years ago watched him four-putt a green at the Pebble Beach pro-am tournament. Nobody's perfect.

EDWARD ROHRBACH, Paris.

## THE IHT & COBRA ARE PLEASED TO ANNOUNCE THE WINNERS OF THE MASTERS GOLF COMPETITION



Ben Crenshaw, 1995 U.S. Masters champion, played in Augusta with an oversize King Cobra Metal Driver

### GRAND PRIZE:

A complete set of KING COBRA Oversize Woods and Irons.

#### 1. TUCKER BRUEN, France

### 2ND PRIZES:

A Set of KING COBRA Oversize Graphite Woods.

#### 2. CHARLIE FORBES, U.S.A.

#### 3. ANDREW CAHILL, France

### 3RD PRIZES:

A King Cobra Oversize Driver

4 • ANNA WELTMAN, ISRAEL.

5 • MICHAEL SWINGLY, U.S.A.

6 • MARK LEE, ENGLAND.

7 • N.S. PARK, GERMANY.

8 • HUGO VAN DER GOES, THE NETHERLANDS.

9 • EVERETT WIRTA, SWITZERLAND.

10 • MARIO INNECCO, ENGLAND.

### 50 CONSOLATION PRIZES: An IHT/COBRA Golf Shirt

■ IAN MUIR, HONG KONG.

■ D.E. ANHELAK, SCOTLAND.

■ ROBERTO RODRIGUEZ, FINLAND.

■ ANNICK BASTIDE, FRANCE.

■ DAVID HARDOON, HONG KONG.

■ TIM REIDY, SWITZERLAND.

■ M. CORRE, FRANCE.

■ THOMAS CLARK, JAPAN.

■ FOLKERT SNEEP, KOREA.

■ H.C. MICHAELIS, SWITZERLAND.

■ CHIT RANIAN BAKSHI, FRANCE.

■ DAVID SCHWARTZ, MONACO.

■ GEOFFREY LAMB, THAILAND.

■ VITTORIO SABADIN, ITALY.

■ BOB SCALLION, U.S.A.

■ DAVID HALL, ENGLAND.

■ PETER BRILL, FRANCE.

■ EKKI NATTAN, GERMANY.

■ HANS BERGER, ENGLAND.

■ ROSABEL GOODMAN-EVERARD, FRANCE.

■ THOMAS UZZELL, U.S.A.

# The Philippines

The emergence of the Philippines in recent years is hardly the result of chance. The Philippines has taken some very concrete steps toward modernization and stability, and the outcome is indeed impressive.

- An increasingly stable democratic government.
- A better managed and more reliable industrial infrastructure.
- A supportive and business-friendly economic climate.
- A forward-thinking corps of domestic business leadership.
- A wealth of natural resources and an increasingly skilled labor force.

The Philippines is poised to take its place as the newest of Asia's economic "Tigers."

On September 27-28, 1995, the Government of the Republic of the Philippines, leading Philippine companies, and business and political leaders from around the world will gather in Manila for The Philippine Summit. The key decision makers and leaders of the Philippines will engage

the international business community in an unprecedented series of frank discussions on the state of the Philippine economy and where it is going.

Organized by the International Herald Tribune in cooperation with The Philippine Government, The Philippine Summit offers participating sponsors and delegates the rare chance to meet face-to-face with the people responsible for the Philippines' success. The Summit will be one of the most significant events in the Philippines this year. It presents a unique opportunity to understand and capture a share of the current and future achievements of the

Philippine economy.

The Philippine Summit will take place on September 27-28, 1995 at the Shangri-La, Makati in Manila. Interested parties should contact Vivien Peters at the International Herald Tribune's Asia/Pacific Conference Office in Hong Kong for further information on sponsorship and delegate opportunities.

**Asia/Pacific Conference Office, International Herald Tribune**  
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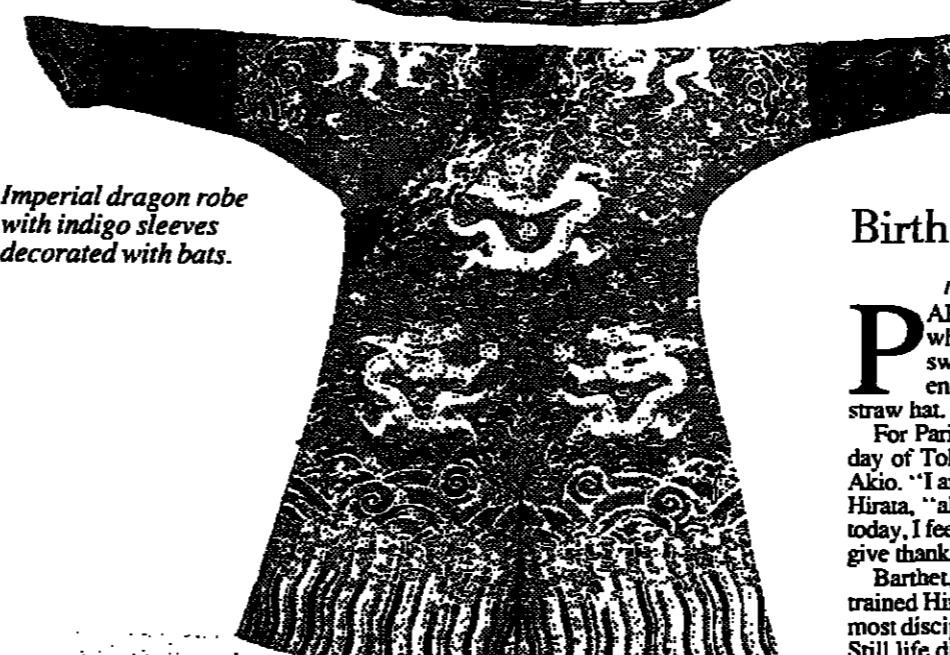
# Silk Dragons and Imperial Hats: A Little Bit of Asia in Paris



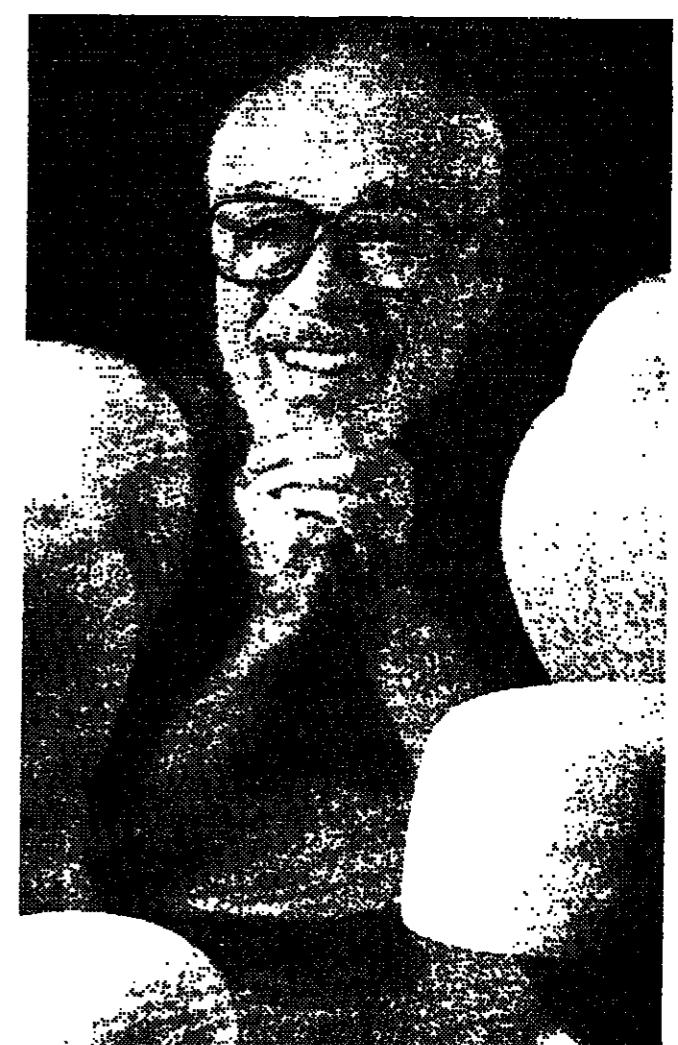
Joyce Ma with Karl Lagerfeld at her gallery exhibition of Chinese robes.



Embroidered Chinese tunic with traditional pleated skirt from the Han Dynasty.



Imperial dragon robe with indigo sleeves decorated with bats.



Japanese milliner Hirata Akio with sculpted straw hats.

## Birthday Fete for Hatmaker Hirata Akio

*International Herald Tribune*  
PARIS — When a birthday cake was wheeled through the Champagne-swilling crowd, it was, naturally enough, in the shape of a round straw hat.

For Paris was celebrating the 70th birthday of Tokyo's high fashion hatter, Hirata Akio. "I am very proud and grateful," said Hirata, "although it is not my real birthday today, I feel it is. And it is a chance for me to give thanks to Paris and Jean Barthet."

Barthet, the famous French milliner who trained Hirata in 1962, toasted him as "my most disciplined and hard-working pupil." Still life displays and perambulating models showed off the signature sculpted

straws in simple geometric shapes with complex textures.

In his long career, which started when the young apprentice milliner made hats for the wives of American servicemen, Hirata rose to become hatter to Empress Michiko and in 1994 made the hats that the newlywed Princess Masako wore on her official visit to the West.

His fashion work reached its zenith in 1977 when he began a collaboration with avant-garde Japanese designers. He also worked for Comme de Garçons, Junko Koshino, and Yohji Yamamoto, for whom he created huge hats in 1987.

Suzy Menkes

## Now and Zen of '90s Consumerism in the Joyce Ma Gallery

By Suzy Menkes  
*International Herald Tribune*

**P**ARIS — In her lacquered embroidered gown, among Chinese robes suspended like bright butterflies, Joyce Ma has come back to her roots.

To celebrate 25 years of taking Western designer fashion to Hong Kong and the Pacific region, the Chinese-born Ma has now brought to Europe the allure of the East.

"Dragons and Silk from the forbidden city" — an exhibition of Chinese robes — celebrates the official launch of the Joyce gallery that Ma opened Wednesday under the arcades of the Palais Royal.

It represents the now and Zen of 1990s consumerism, with a mise-en-scène by Bob Wilson that includes sculpted metallic dishes containing charred wood and a drop of water to represent elements of fire and water.

A crowd of fashion aficionados, including Karl Lagerfeld, Françoise Lacroix, Marina de Brantes and São Schlimberger, marveled at the writing Imperial dragons embroidered on sunny yellow silk; landscapes of flowers and butterflies; a jacket hand-woven in a lattice of bamboo; a wedding headdress appliquéd with king-fisher feathers; and the poignant, child-sized slippers that once covered bound feet.

The robes, from the collection of Teresa Coleman of Hong Kong, are for sale from 5,000 francs (about \$1,000) for tunics in butterfly-wing colors to 38,000 francs for the imperial costumes.

Before her family fled Shanghai in 1948 for Australia and then Hong Kong, as the Communists were taking over, Ma remembers her mother and grandmother wearing elaborate robes and recalls a tailor taking from his trunk "tons and tons of material, silks, brocades, laces.

"My mother used to make dresses for me when I was eight or nine years old," she says.

"She would put me in mustard, a cloqué cotton print in saffron and black — such sophisticated colors for a young child. And an evening dress with layers and layers of silk net — 20 or 30 of them in mother-of-pearl colors, gradations of gray, white and dusky pink."

Ma's retentive visual eye and alert fashion antennae have made her the Empress of Asian fashion, although Ma the mystic (she spends part of each year in an ashram in India) would cringe at such a title.

Yet it was she who recognized a quarter of a century ago that Hong Kong could become frenetic consumer of European style — instead of just the world stage.

"Fashion is evolving all the time," says Ma. "I am always in search of new designers to make our lives more colorful."

Her visionary sense meant introducing to the colony Giorgio Armani, whom she had first noticed at the Florence fashion fair "in a duffel coat, crouched there, very solitary, when I was 28 or so with my chignon and he always used to eye me."

Ma saw Armani's first collection of "a few jackets of unbelievable cut" and bought them: "I didn't know if the collection would be delivered, but I trusted him."

Now Armani is the backbone of the Joyce empire of 29 stores, which had a turnover of nearly 424 million Hong Kong dollars (about \$55 million) in 1994, according to managing director Roberto Dominici, who has

the group's lifestyle store (now replicated in Taipei), which has a 1990s mix of homewares, fresh flow-

ers and meat-free cafe.

Including Manila, Taiwan, Thailand and the southern China, there are now 29 Joyce stores with active plans for expansion throughout Asia.

"We are no longer a Hong Kong retailer," says Dominici. "The idea of going into Southeast Asia is what makes the work so interesting at this point."

Yet the more the business grows, the less Ma herself

seems like a fashion tycoon.

She wears increasingly simple clothes, ignoring the designer labels for which she was once a conspicuous and glamorous advocate.

"It gives me calm," she says of her meditations with Gurumayi. "I've learned to let go a lot, to delegate. Before, I thought I had to hold on to everything. But when I have a richer life myself, everyone shares in it."

She is the Empress of the Wing On department store, when she married Walter Ma at age 21, she expected "to be a contented housewife."

The evolution of the Joyce firm mirrors the increasing wealth, confidence and sophistication of the Pacific area. The designers Ma has brought to Hong Kong include Comme des Garçons, Donna Karan, Issey Miyake, Prada and Jil Sander. Some are presented in own-label stores, others in boutiques or the World of Joyce lifestyle store (now replicated in Taipei), which has a 1990s mix of homewares, fresh flow-

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## High Fashion Throws an Exotic Garden Party

*International Herald Tribune*

PARIS — From mint tea in a Moroccan tent to a voyage of discovery in India, French high fashion has gone exotic.

Yves Saint Laurent brought a whiff of the casbah to the l'Art du Jardin (Art of the Garden) show where le Tout Paris congregated to check out the finest blooms of the season — both in the flower beds and on the hats, which are considered right and proper attire.

Saint Laurent's Moroccan garden was a riot of color — not least because of a decorative tent housing North African tea urns, multicolored glass lanterns, Oriental rugs and a sweet-meats buffet.

Pierre Bergé, who has become an enthusiastic gardener among the olive trees in his home at St.-Rémy-de-Provence, presided over the flower show turf.

Meanwhile, the neighboring Cartier stand featured a giant garden gnome encased in a plastic bubble on a red sand ground entitled "Dwarf, Dwarf III." This latest flower-free garden art, created in 1990, is part of the collection of Cartier's contemporary art foundation.

In spite of a few oversized straw cartwheels, the most striking hats were the Tom Sawyer-style raw-edged panamas worn by the young staff.

Hermès celebrated "L'An-

née de la Route," the company's travel theme of the season, with a film showing the fruitful encounter in March between its deluxe craftsmen and artisans in a nomadic Indian village.

As part of a cultural exchange envisaged by Jean-Louis Dumas, president of Hermès, saddle makers, silversmiths, cobblers and crystal creators worked

Suzy Menkes

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*"Il est des signatures auxquelles on tient."*

ESCADA in Paris  
NEW COLLECTION SPRING-SUMMER  
Marie-Martine 8, rue de Sèvres, Paris 6th

PARIS 22, place Vendôme Tél: 42 61 58 58 GENEVE 31, rue du Rhône. Tél: 311 60 70

**NASDAQ**

Monday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

ollar value, updated  
The Associated Press

**Monday's 4 p.m. Close**

Nationwide prices, not reflecting late trades elsewhere  
The Associated Press.

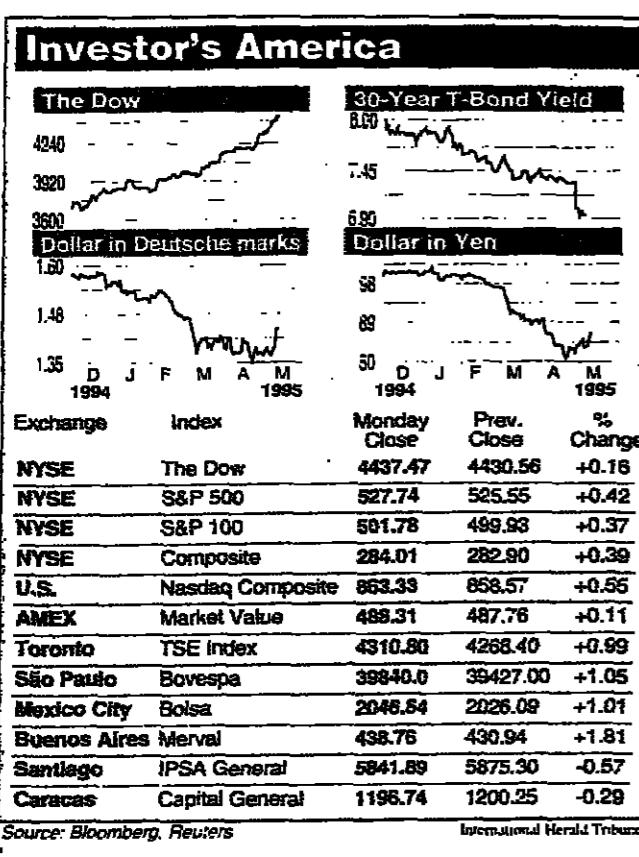
12 Month Growth Stock	Div.	Yield	PE	12m <sup>1</sup>	Wkly	12m <sup>1</sup> Growth
10.00	0.00	0.0%	12.0	10.0	1.00	10.0%

## Linking Ahead

## U.S. Trade



## THE AMERICAS



## Stagflation's (Political) Comeback

By Keith Bradsher  
New York Times Service

WASHINGTON — For months, economists have been using the cheery term "soft landing" to describe an American economy that seems to be gliding to a slow-but-steady rate of growth after several boom years.

But now an uglier word is making the rounds: stagflation, a combination of paltry growth, rising unemployment and increasing inflation.

The Republican majority on the Joint Economic Committee of Congress cried stagflation in an economic analysis issued Friday. The analysis followed a government report saying consumer prices climbed in April at the fastest rate in eight months, as well as earlier reports that producer prices also rose in April while unemployment jumped.

The politics of crying stagflation are clear. Republicans are nervous that if the economy goes into a recession during next

year's presidential campaign, some of the blame may be heaped on their budget cuts instead of the policies of President Bill Clinton. So they are striking early by pointing out that the economy has already had problems, and by trying to link these problems to the White House.

With both the producer and consumer price indexes rising at 3 to 4 percent annual rates, and data on the economy showing weakness, the recent economic performance continues to resemble that of the "stagflation" of the late 1970s, the analysis said.

"This is largely the result of easy money in 1992 and 1993 that masked the Clinton tax increases. Now that the easy-money stimulus is wearing off, the slowdown effects of those tax increases are showing off."

White House officials are no different in trying to manipulate perceptions of the economy for political gain. Leon E. Panetta, the president's chief of staff, led a succession of senior officials in daily briefings last week warning that Republican

budget proposals could turn an economic slowdown into a recession.

Economists dismiss the idea that modest tax-policy changes in 1993 could have seriously changed the course of a \$7 trillion economy. They also dismiss the notion of serious economic harm from a Republican blueprint to balance the budget by reducing the deficit by less than \$30 billion a year in each of the next seven years.

With few exceptions, economists also doubt that the United States also faces significant stagflation now. Instead, most expect that the country will avoid steeply rising inflation, but may pay a price that could prove just as painful in higher unemployment and a further widening of the gap between rich and poor.

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## Autos Guide Stocks To Record High

Compiled by Our Staff From Dispatches

NEW YORK — Stocks climbed Monday, led by auto-makers, amid expectations that inflation would remain in check and push interest rates lower, traders said.

Those expectations were fanned by gains in the bond market and a recent stream of reports, including weakening

GM Motors jumped 1%, to 48, and Chrysler rose 3%, to 44%. Auto issues were supported also by the prospect of U.S. trade sanctions against the Japanese auto industry that are to be announced Tuesday.

Toys 'R' Us, down 1%, to 25%, after the retailer's stock was a focus of attention as Swedish store clerks said they would widen their strike against Toys 'R' Us to pressure the U.S. retailer into accepting a national union contract.

Procter & Gamble fell 4%, to 69%. Coca-Cola dropped 1%, to 57%, Merck lost 1%, to 42%, and Johnson & Johnson was off 1%, at 63%. Traders said these multinational companies were hurt by perceptions that a rising dollar would make their exports less competitive, crimping foreign profits.

"You're seeing a rotation out of drugs and consumer staples into stocks that do better in economic growth: autos, steel, paper and forest products, housing companies and truckers," said Philip Schettini, portfolio manager at Loomis, Sayles & Co.

Falling bond yields underscored the optimism that this week's economic reports will show inflation will not accelerate and interest rates will fall, traders said.

Borland International climbed 1, to 10%, amid speculation of merger talks with Novell, which closed 1% higher, at 21%.

Motorola rose 2, to 61, after the electronics company settled a complaint by several Southern Co. units. (Bloomberg, Reuters)

## Very briefly:

## Greenpoint Deal Hurts Its Shares

NEW YORK (Bloomberg) — Greenpoint Financial Corp.'s shares plunged Monday after it agreed to pay \$660 million in cash for the 60 New York branches of Home Savings of America, the main unit of H.F. Ahmanson & Co., the largest U.S. savings-and-loan association. The shares fell \$1.625, to \$22.125. Analysts said the deal was too expensive.

Greenpoint will have 84 branches and \$13.5 billion in deposits after the transaction.

Berkshire Hathaway Inc., the holding company controlled by the investor Warren Buffett, said first-quarter net profit fell to \$120.2 million from \$133 million a year ago. Investment losses overcame rising operating income, which reflected improvements in the company's reinsurance business.

Jones Intercom Inc. agreed to buy cable systems with 50,000 subscribers in Virginia from Columbia Associates LP for \$123 million; after the acquisition, Jones will have 200,000 subscribers in the Washington-Baltimore area.

Bloomberg, AP-DJ

## Weekend Box Office

The Associated Press

LOS ANGELES — "Crimson Tide" dominated the U.S. box office over the weekend with a gross of \$18.8 million. Following are the Top 10 moneymakers, based on Friday ticket sales and estimated sales for Saturday and Sunday.

1. "Crimson Tide" (Hollywood Pictures) \$18.8 million  
2. "French Kiss" (Miramax) \$6.3 million  
3. "You Were Sleeping" (Miramax) \$2.7 million  
4. "Friday" (New Line Cinema) \$2.6 million  
5. "The Englishman Who Went Up a Hill" (Miramax) \$2 million  
6. "Bad Boys" (Columbia) \$1.8 million  
7. "My Family, My Family" (New Line Cinema) \$1.6 million  
8. "The Hunt" (Miramax) \$1.5 million  
9. "A Good Movie" (Miramax) \$1.2 million  
10. "Rob Roy" (United Artists) \$1.1 million

## Shoppers! Kmart Posts \$28 Million Loss

Compiled by Our Staff From Dispatches

TROY, Michigan — Kmart Corp., struggling to revive its vast retailing empire, reported a loss on Monday for its latest quarter, citing poor results at its Builders Square chain of home-improvement stores and unprofitable Kmart stores in Mexico.

The United States' second-largest retailer said it lost \$28 million in the quarter ended April 26, the first of its financial year. The results compared with a profit of \$18 million, or 4 cents a share, in the like quarter a year ago.

The loss came even as sales rose 8 percent, to \$7.8 billion, the strongest quarterly performance in years, the company said. Analysts, however, were more concerned with the company's flagging profit margins.

Kmart said its Builders Square chain had an operating loss of \$11 million, posting a 6 percent drop in same-store sales during the period. Kmart added that its joint venture operation in Mexico lost \$3.0

million. The weak Mexican peso hurt its results.

Reacting to pressure from stockholders, Kmart in March forced out its chief executive, Joseph Antonini, and is searching for a replacement. The company said recently that almost one-third of its 4,000 stores were underperforming.

Separately, Toys 'R' Us Inc., the New Jersey-based toy retailer, said its first-quarter earnings fell 51 percent because of a fall in video-game sales.

The company said its net income fell to \$18.4 million, or 7 cents a share, for the quarter ended April 29, from \$37.6 million, or 13 cents, in the corresponding quarter last year. Revenue rose to \$1.49 billion from \$1.46 billion.

(Bloomberg, Reuters)

## Dollar Slips but Sanctions Talk Bolsters Market Sentiment

Bloomberg Business News

NEW YORK — The dollar fell against most major currencies on Monday but some analysts said sentiment toward the currency remained high amid optimism the United States was addressing its trade and budget deficits.

"People are very bullish toward the dollar," said Richard Vullo, currency sales manager at Bayerische Hypotheken und Wechsel Bank in New York. "We're starting to do something about our problems."

But other analysts weren't so sanguine. "The process of balancing the budget and rectifying the trade imbalance is an evolutionary process," said Kevin Weir, a currency salesman at ABN-Amro Bank in Chicago. "Although the market discounts it immediately, fruition will take time."

The dollar rose 5.9 percent against the mark and 4.2 percent against the yen last week, as America threatened trade sanctions against Japan and congressional budget committees passed deficit-reduction measures.

The U.S. trade deficit with Japan was \$65.7 billion last year while its global trade deficit was \$166.3 billion. The current federal budget deficit is \$203.4 billion.

The deficits have been cited as major reasons for the dollar's decline against the mark and the yen this year.

In New York, the dollar

closed at 1,4351 Deutsche marks, down from 1,4480 DM Friday, and at 86.375 yen, down from 86.750 yen.

Against other currencies, the dollar closed at 5.0305 French francs, down from 5.0710 francs on Friday, and at 1.1987 Swiss francs, down from 1.2060. The pound rose to \$1.5740 from 1.5695.

## Sanctions Due on Tuesday

Trade Representative Mickey Kantor will announce a proposed list of American san-

tions against Japan regarding the automobile trade dispute on Tuesday, a government spokesman said Monday. Bloomberg Business News reported from Washington.

Negotiations to open up Japanese markets to U.S. automobiles and auto parts broke down last week. U.S. officials have said the sanctions would include at least \$1 billion worth of tariffs.

Under U.S. trade law, the two sides have 30 days to hammer out an agreement after the publication of the proposed sanctions list, before punitive tariffs take effect.

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## Markets Closed

Stock markets in Bangkok, Jakarta, Kuala Lumpur and Singapore were closed Monday or local holidays.

Bombay

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# Power Generation

## Declining Dollar Aids U.S. Power Companies

By Richard E. Smith

**P**ARIS — As the plummeting dollar jostles the world's markets and remaps national trade balances, there are select few industries that have remained regally above the fray.

The market for power generation equipment, where business cycles are measured in decades rather than in months and where contracts are often large enough to provoke diplomatic crises, has long been able to virtually ignore the fidgety foreign exchange markets.

But the most recent drop of the U.S. currency has been so unexpected, so relentless and so difficult to understand that it has begun to worry even this bedrock industry.

"As a general rule, infrastructure manufacturers like Siemens are mainly engaged in long-term business that is less affected by short-term currency fluctuations," said Bernd Stecher, chief economist of Siemens AG. "Problems only emerge when the currency shifts turn out to be longer-term ones."

If the dollar is in fact settling to a fundamentally lower level, as the British pound did several decades ago, the power generation industry could undergo some profound realignments. The winners, at least in the beginning, would probably be the major U.S. players, General Electric Co. and Westinghouse Electric Corp.

"The short-term impact is that it would be easier for U.S. companies to gain contracts, and especially in the high-growth markets of Asia," said Bruce Humphrey, an energy analyst at Cambridge Research Associates in Cambridge, Massachusetts.

"On the equipment side in power generation, it makes the U.S. companies a bit more attractive," said Rebecca Mark, president and chief executive of Enron Development Corp., the unit specializing in foreign projects for Enron Corp., a Houston concern that is one of the world's largest assemblers of power plants.

Some analysts said that Westinghouse might get a special boost from the dollar. "Westinghouse is not as big as the others and there is a view that it is the smaller players that are going to be squeezed," said Simon Street, technology analyst at Bar-

clays de Zoete Wedd in London. "Westinghouse has had problems in the past but has now restructured. The dollar will give that company a long-term boost."

But analysts are also quick to point out that there are rarely clear-cut winners or losers in an industry that has such long cycles and so much time to respond to changes in the business environment. In a lower-dollar era, this would mean primarily that high-cost producers would shift more and more production to low-cost areas, notably the United States, if current trends continue.

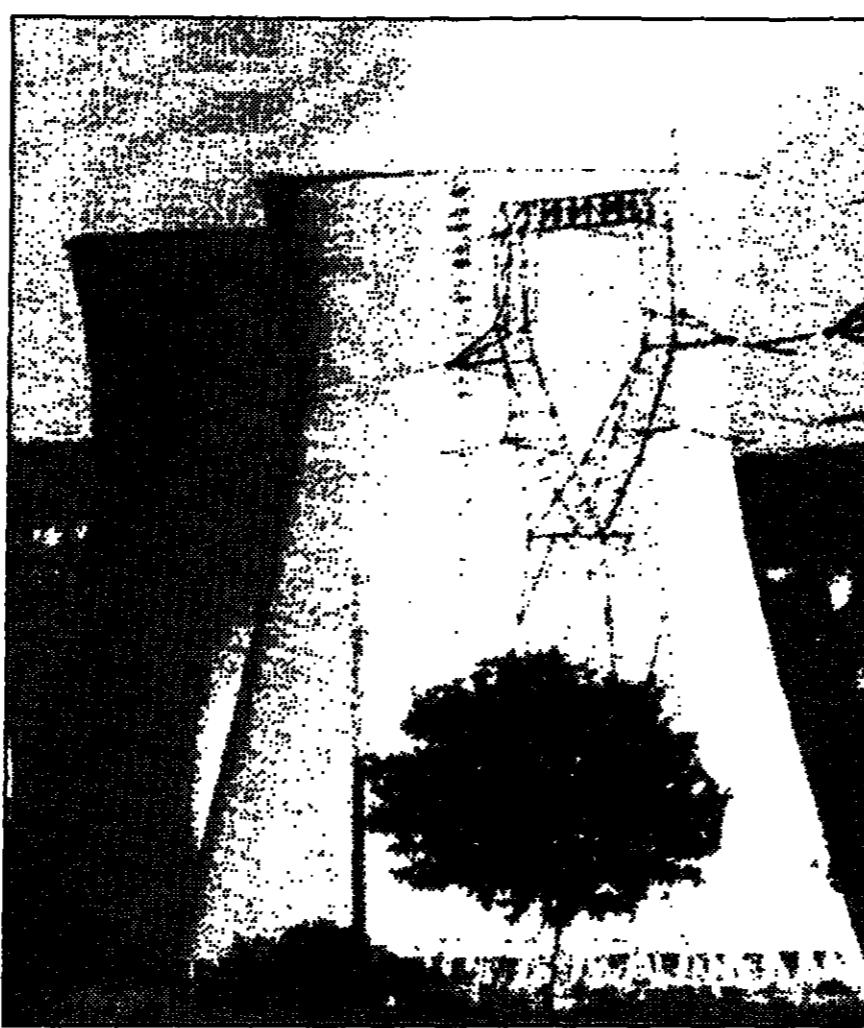
The European giants — Siemens AG, ABB Asea Brown Boveri Ltd. and GEC Alsthom, the joint-venture engineering company owned by Alcatel Alsthom of France and General Electric Co. of Britain — have long fought with the continent's high-wage structures by moving facilities abroad. Further gains in their base currencies will give them all the more reason to do so and in the process dilute their identities as European companies, a process they seem eager in many cases to speed along.

ABB Asea Brown Boveri, although the product of a Swiss-Swedish merger, has 22,000 employees in the United States, nearly as many as its 26,400 in Sweden and considerably more than the 13,400 based in Switzerland. For the past seven years the company's official language has been English.

"In power generation, we try to source a lot of project work in soft-currency countries," said Michael Robertson, spokesman for ABB Asea Brown Boveri. "We have factories in the Czech Republic and in Poland that help us to keep competitive, and we have extensive production in Sweden and Italy. In countries with high labor costs like Germany and Switzerland, we focus on capital-intensive products."

Mr. Stecher of Siemens spoke of his company's "policy of globalization" and said that it was continually trying to set up production as well as research and development facilities abroad to cut the overall impact of regional economic cycles and currency shifts.

Several officials at European companies noted that the U.S. prowess in elec-



The CERN nuclear technology would create little radioactive waste.

## Plan for Nuclear Reactor Without Nuclear Waste

By Barry James

**G**ENEVA — A proposal to transform a particle accelerator into a nuclear reactor using virtually limitless supplies of thorium and producing very little radioactive waste has stood up to 18 months of theoretical and experimental testing.

Coming from most scientists, such a proposal might be dismissed as pie in the sky. This, however, is the brainchild of Carlo Rubbia, a physicist with a reputation for coming up with innovative ideas that work. He was a co-winner of the Nobel prize for physics in 1984.

Mr. Rubbia has been working on what he calls an "energy amplifier" since retiring as director-general of the European Laboratory for Particle Physics at Geneva, known by its French initials as CERN.

Turning thorium into fuel has long been a dream of nuclear scientists. A close relative of uranium, it has few industrial uses, yet exists in vast deposits, notably in Canada and India. To all intents and purposes, it could be considered an inexhaustible fuel if a way could be found to unlock its potential, according to Robert Klapisch, a colleague of Mr. Rubbia.

Thorium itself is not fissile, but under bombardment from neutrons it can be transformed into uranium 233, which is a highly fissile isotope of uranium. The problem is that in a conventional reactor,

thorium does not produce enough neutrons to sustain a reaction. Mr. Rubbia's solution is to supply the necessary neutrons using an existing type of particle accelerator called a cyclotron.

One major advantage of the proposed machine is that the nuclear reaction would stop as soon as the flux of neutrons was switched off, preventing Chernobyl-type accidents caused by the uncontrolled chain reaction of nuclear fuel.

Another advantage is that the machine would burn most of its own waste, and would produce plutonium only in very small amounts as a by-product of fission. Computer models indicate that the energy amplifier would produce 10,000 times less long-lived waste than pressurized water reactors without reprocessing.

The chief objection to the plan comes from the inertia of the present nuclear industry. Mr. Klapisch said governments and power authorities are too deeply committed to conventional nuclear reactors to want to invest heavily in an experimental technology.

The development of fusion technology holds out the prospect of limitless supplies of energy from renewable resources. This, however, is decades into the future. The energy amplifier would seem to work based on only a "modest extrapolation" from existing technology. Mr. Klapisch said.

A study corroborated by the Labo-

Continued on Page 19

## Controversy Flows Around Malaysian Dam Project

By Michael Richardson

program to make his country a fully developed industrial nation by 2020.

"This is a project whose time has come," he declared when announcing the award this year of a contract to Eksan Bhd., a Malaysian company with interests in construction, cables, timber, hotels and property development, to build Bakun at a cost of 15 billion ringgit (\$6 billion).

Felling of trees recently began in the Bakun reservoir area, which is several hundred kilometers up the Rajang River. Eksan plans to cut 17,000 hectares (42,000 acres) of rain forest this year, using the timber to pay for development work.

Malaysia's cabinet approved the dam in September despite environmental protests and doubts about its economic viability.

S. Samy Vellu, the energy minister, said that the project was justified by the country's soaring energy demand. Now at 14,000 Megawatts, national demand is forecast to reach 30,000 MW by 2020.

Bakun will generate 2,400 MW of electricity, enough to supply between 20 percent and 25 percent of Malaysia's projected consumption in 2002.

The government dismisses criticism that Malaysia should rely on its own oil and gas for power generation, arguing instead that

these non-renewable resources should be used for other purposes, including exports.

"Harnessing our vast hydro resources will enable our country to switch from depicting to renewable energy resources," Mr. Mahathir said.

Nevertheless, a number of Malaysian and foreign environmental groups continue to oppose the Bakun plan. They maintain that it is an unnecessary and excessively expensive project that will seriously damage the environment of

Continued on Page 19

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## POWER GENERATION / A SPECIAL REPORT

## Germans Blow Hot and Cold About Use of Wind Power

By Douglas Sutton

**H**AMBURG — Power generation from windmills has made a dramatic leap forward in Germany in the early 1990s, making the country the leader in Europe in terms of overall wind-produced electricity and in terms of creating new technology.

Ecologists and environmental advocates who back non-polluting, renewable power sources generally say the development of this technology is great news.

Others, including nature lovers and some environmentalists, point out that windmills can create noise pollution, kill birds, scar the landscape, and generally create more bother than they are worth.

Since a federal law in 1991 began providing financial incentives to wind-generated power, Germany's installed wind capacity has jumped to 643 megawatts from just about 50 megawatts. Germany is now ahead of Denmark — with 539 megawatts — as the European leader in wind-generated power. (The world leader is the United States, with 1,600 megawatts of capacity.)

The debate over wind power is at its most furious in the northern state of Schleswig-Holstein, and in Hamburg, where expansion has been especially rapid and where ambitious plans exist for the construction of new facilities.

In an example of how, in a crowded country like Germany, competing interests fight over the use of land, tourism managers in Schleswig-Holstein say the spread of windmills is starting to deter visitors. When the Hamburg Electricity Works, known as HEW, released a list of potential sites for 40 more windmills, ecologists protested vehemently.

"Let me emphasize once again — we're all in favor of wind power," said Reinhard Grosch of the Environmental Protection Alliance in Hamburg. While he said he realized it was ironic to hear ecologists protest against windmills, "We

just don't think that sacrificing some of the last nature and recreational areas along the Elbe is worth it," he said.

"What the HEW is proposing to build would cover 0.08 percent of Hamburg's electricity consumption," Mr. Grosch said. "This is very little gain considering what is going to be lost." He said one proposed site is an area where the last of Hamburg's stork population breeds.

The argument in favor of birds has been used in Schleswig-Holstein, the state that has set the pace in wind-generated power.

A flat state that lies between the North Sea to the west and the Baltic Sea to the east, Schleswig-Holstein has enough wind to assure virtual year-round operation of windmills.

Of Germany's 2,617 windmills, Schleswig-Holstein has 962, or more than one-third of the total. Wind generators currently provide about 4 percent of the state's electricity needs.

The state government has ambitious plans that could increase the number of wind generators to more than 2,000, providing up to a quarter of Schleswig-Holstein's electricity.

Supporters of the program say that would allow the state to shut down one of its three nuclear power plants.

Officials at Schleswig AG, the state's main electric-power utility, say the company is caught in the controversy, and the expansion of wind power is starting to cost the company big money.

Under the 1991 law promoting wind generation, electric utilities have had to pay a fair higher rate to windmill parks feeding into the power grid.

The current price for wind power is 17.28 pfennigs (12.6 U.S. cents) per kilowatt-hour, about 75 percent higher than the cost for conventionally produced electricity.

The higher rates, along with generous depreciation allowances, were designed to help investors in wind power earn returns more quickly. An investor who puts up 1.2 million Deutsche marks for a typical wind generator will recoup his or her investment in only

about eight years. But for utilities, buying the windmills' output is expensive.

"Last year, the extra costs to us from wind generation interests was 42.5 million DM," said Arndt Hellmann, a spokesman for Schleswig. This year, costs will increase by around 65 million DM, he said, adding, "We're starting to reach the critical limits of what we can afford."

**M**r. Hellmann noted that the state now has some 300 megawatts of capacity from windparks and individual windmill operators. To give an idea of the expansion ahead, he said, a further 1,812 megawatts of wind-produced capacity are now at various stages of planning.

"Our company is fundamentally in favor of wind generation," he said. "But now the question of who bears the cost has to be resolved."

For some people, the windmill controversy is a question of aesthetics.

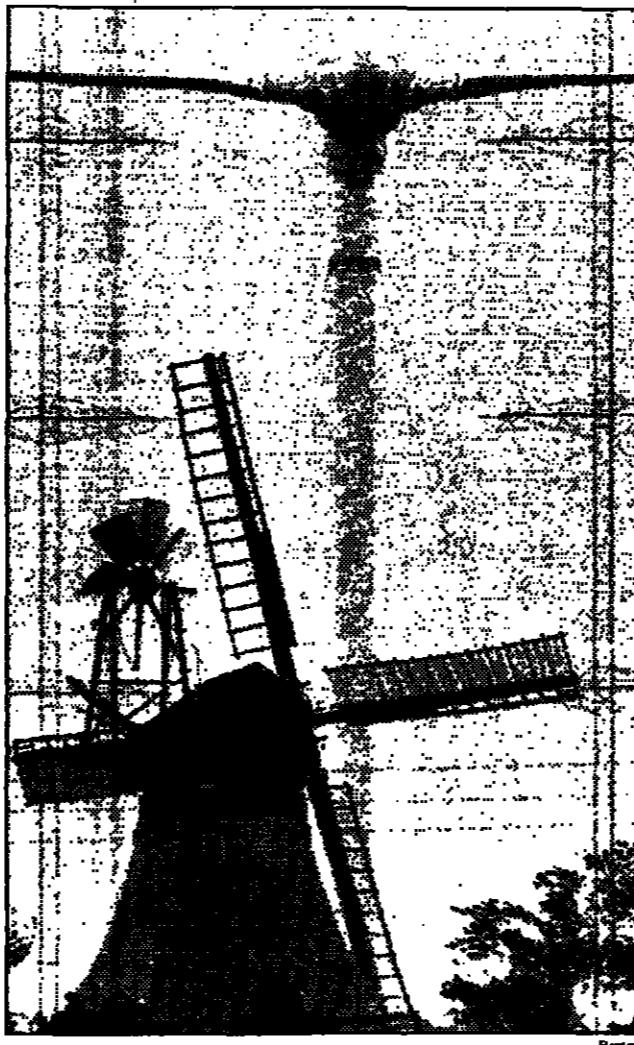
As windmills get bigger — those in the 500-kilowatt range, for example, have rotors measuring between 32 meters and 45 meters (105 feet to 145 feet) spinning atop concrete masts as tall as 100 meters — they scar the landscape and are too noisy, opponents say.

"We've even had complaints about windmills having a strobe-light effect on houses and villages, like in a discotheque," Mr. Hellmann said.

Tourism managers in some areas of Schleswig-Holstein say guests are starting to complain about the sight and sound of windmills in otherwise pastoral landscapes. Zoning regulations are starting to be examined by the courts.

All controversy aside, there is no doubt that German research is producing major advances in wind generation. Schleswig, for example, is running a hybrid facility that links wind power with solar power on the North Sea island of Pellworm.

**DOUGLAS SUTTON** is business-economics editor at the German Press Agency DPA.



Modern windmills aren't as picturesque as old ones.

## Gas Becomes Fuel of Choice

By Laura Colby

**P**ARIS — Not too many years ago, natural gas was considered a too-expensive resource, and one whose limited supply made it an infelicitous choice for generating power.

Now the situation has turned almost completely around.

According to the Paris-based International Energy Agency, natural gas is most economic fuel and thus the fuel of choice for new power generation projects. In fact, under one scenario outlined in the IEA's latest world energy outlook, natural gas would be the fastest growing fossil fuel between now and 2010, with demand increasing by about 2.5 percent per year.

What caused the change? In the United States, important new discoveries of reserves combined with a deregulation of the industry to lower prices and increase supply in the 1980s. Growing awareness of the environmental impact of power generation has also improved the outlook for natural gas.

According to the Worldwatch Institute in Washington, natural gas production and use has expanded worldwide in the late 1980s and early 1990s, and new pipelines under construction and exploration efforts are

expected to support the trend. Natural gas is cheap, clean and plentiful, and new technology is continuing to improve its competitiveness to other fuels. "Gas fuelled power plants have lower capital costs, are quicker to build, more efficient and emit less air pollutants than other fossil-fuel based plants," the Worldwatch report says.

But unlike an aircraft engine, which can only use air for cooling, a combined cycle system has steam available, which — being at a lower temperature than the hot gases of the turbine — can be used more effectively to cool the turbine hot gas path.

This "closed-loop" system has led to the improved efficiency and emissions performance of the new turbine, GE said.

"A few years ago, long-range forecasts indicated that the price of gas would rise significantly compared to other fossil fuels," said Richard Radice, product general manager for gas turbine combined cycle. But since then, he added, new discoveries and pipelines have significantly increased the available supply of gas, particularly in Europe, due to new pipelines from North Africa and the former Soviet Union that are expected to come on stream.

**LAURA COLBY** is on the staff of the International Herald Tribune.

## Malaysia Plans Massive Dam

Continued from Page 18

Sarawak and displace nearly 8,000 indigenous jungle dwellers without adequate compensation.

The dam will have "tremendous effects on the lives of natives, plants and animals, and biodiversity of the pristine forests where it is going to be built," said Chee Yoke Lin, secretary of the Friends of the Earth Malaysia group.

Ekran's executive chairman, Ting Pek Khing said that natives living in the Bakun development zone would be resettled and given jobs at logging sites and timber factories, which will process logs cleared from the dam site, and that the natural habitat would be preserved as much as possible.

Abdul Taib Mahmud, Sarawak's chief minister — whose two sons are major shareholders in Ekran — has also promised that those displaced by the dam will be given help.

The suspicions of Bakun's critics have been intensified by a government decision to accept the environmental impact assessment commissioned by the company in three stages.

Part one, on the tree felling and reservoir construction, has already been approved. Parts two and three, dealing with the dam and the cable that will carry power from Sarawak to peninsular Malaysia, aren't finished.

"What if after the reservoir has been completed, the environmental impact assessment report for the dam is rejected?" asked S.M. Mohamed Idris.

president of Friends of the Earth Malaysia. "They are part and parcel of the same project and should be looked at as one."

Financial arrangements for the Bakun project and the price at which its electricity will be sold to the national grid remain to be negotiated.

But Mr. Ting of Ekran insists that a basic understanding is already in place on the financial package to pay for the dam. He said that a large portion of the money will be lent by the state Employees Provident Fund, Malaysia's compulsory pension program. The balance would come from banks.

**MICHAEL RICHARDSON** is editor for Asia of the International Herald Tribune.

## Safe Nuclear Power?

Continued from Page 18

techniques. Experiments at CERN demonstrated that the method effectively produces more energy from fission than it consumes.

Mr. Rubbia's team at CERN is cooperating with other groups engaged in accelerator-driven fission to produce a report for the International Atomic Energy Agency on the use of the method to produce energy and destroy nuclear wastes. It also hopes to prepare a feasibility report on a pilot energy-production facility this year.

**BARRY JAMES** is on the staff of the International Herald Tribune.

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## Western Utilities Seek Growth Abroad

By Joseph Fitchett

**P**ARIS — Suddenly seeking new horizons beyond its national borders, Electricité de France, the French national power company that is often viewed as a stodgy state-owned monopoly and the last bastion of nuclear-generated electricity, has set its sights on becoming your local utility, too.

The idea is not to export electricity: EDF already does that across Europe, thanks to power generated in cheap abundance by its nuclear reactors.

Now EDF is looking farther afield: it wants to team up with other utility companies to build and operate power systems all over the world.

For example, EDF has become the lead company in the main Buenos Aires utility since the Argentine government partially privatized the old power monopoly.

For Gilles Ménage, the head of EDF, it is a natural step for successful Western utility companies, including his own state-run monopoly, to venture abroad. "It is a general trend in all our countries because utilities face the same outlook of flat economic growth and therefore flat demand for electricity in our domestic markets," he said in an interview.

So, as their revenues pile up with no outlook for domestic investment in new power-generating facilities, Western utilities can buy into emerging markets.

The surging demand for power in de-

veloping countries translates into a need for \$1 trillion worth of investment in the next 20 years — plus technical and financial expertise to make the utilities work.

A key change opening the door to Western interest in developing countries has been a shift away from local monopolies and a recognition that private companies are needed to provide the power for growth.

But it is a challenging frontier. John B. Wing, a partner in the U.S. company, Wing-Merrill Group, makes the point that "you have to go where you know you have strong support top to bottom" because the country has recognized that it needs reliable power.

Mr. Ménage agrees. "Electricity is also a political business, because if you cut off the power, you're cutting off something as basic as cooking."

In Buenos Aires, EDF had to grapple with a legacy of social dissatisfaction that promoted widespread avoidance of bill-paying. The French company has sought to straighten out that situation by raising the level of public esteem for reliable service.

Beyond these political sensitivities, this new market's size and risks make the prospect of going it alone too daunting for any company, even EDF, generally considered the world's largest utility.

In its quest for partners, EDF has developed a special interest in U.S. utilities, now that regulatory changes allow them to invest abroad for the first time.

Because private American utilities have

captive customers, it was considered wrong for them to use their revenues for what might be considered speculative purposes until the 1992 Energy Policy Act eased the restrictions on so-called non-regulated business.

Japan still bans its utility companies — which command the biggest markets and have the largest capital reserves in the world — from foreign investment.

U.S. regulators still try to make sure that the risks of international ventures are borne by a power company's shareholders, not its customers. EDF, which faces no such regulatory restraints, has seized the initiative in this area, even though none of these takeovers involve nuclear energy, which is EDF's specialty.

One of the attractions of U.S. partners, Mr. Ménage said, is their familiarity with some technologies that comparatively new in France, including co-generation and clean coal.

As a result, EDF has teamed up with U.S. companies on several Latin American projects, but so far these U.S.-French joint ventures have only won the bidding in Argentina, where EDF's partners include the investment bank, J.P. Morgan.

Elsewhere, EDF's international portfolio is growing fast, including clean-coal power plants in Spain and Portugal and joint ventures with local companies in Sweden and Italy.

**JOSEPH FITCHETT** is on the staff of the International Herald Tribune.

tronics gave them incentive to source much of this crucial technology in that country and that the lower dollar made Silicon Valley and the other high-tech U.S. centers steadily more attractive.

A shifting dollar would complicate conditions in a market that already stands on the threshold of a major geographic shift. The power infrastructure of the rich markets of North America and Western Europe are now largely in place and, aside from replacement, the market for equipment is close to saturation. But this does not mean that world demand for energy is shrinking, since East Asia and the Third World will require vast amounts of energy to industrialize and move into the high-tech era.

The International Energy

Agency predicted in a recent report that the countries of the Organization for Economic Cooperation and Development, which are the major industrialized powers and currently consume up to 55 percent of the world's energy, will be absorbing less than half of the total by 2000. The emerging economies, and especially China and India, will be the new sites for bulk infrastructure construction.

This presents a strong and steady market for the power generation equipment industry but a more complex one.

In the past, most buyers were in industrialized countries where payment was usually in hard currency on market terms and where buyers had the expertise to take over operation of the plant as soon as it was installed. In the new markets, buyers increasingly need soft loans as well as long-term on-site assistance in running the plants.

Companies are under more and more pressure to come up with creative financing packages and commitments to help run the plants," said Erich Unterwurzacher, an economist in the Paris unit of Econ-Energy, a Norwegian energy consultancy.

"Some companies are willing to stay for 10 years to help run a plant or as long as necessary to pay for the investment."

**T**HE shift of business volume to developing countries also forces companies to deal more regularly with political risk.

Enron was shaken recently,

for example, when an opposition party assumed power in the state of Maharashtra in India and decided to review a contract for a major project that had already been agreed. Although the company says that payment is guaranteed by the state no matter

what the local government decides, the conflict highlights the uncertainty of the new markets.

China has also struck a demanding tone recently in a debate with Western companies about the rate of return they should expect from power investment in general. In a dispute likely to become a major fault line between sellers of technology and developing states, the companies said they must be rewarded for the risks of pioneering new regions, while China's power authorities question whether the risks are so great. Those authorities can command considerable attention, since they hold the key to what will indisputably be the largest single market for power generation equipment in the coming decade.

**RICHARD E. SMITH** is on the staff of the International Herald Tribune.

## Turf Battles Erupt for New Business

AS the market for power generation equipment shifts to the developing world, the turf fights are getting nastier for the few remaining premium markets.

The dream project — hard-currency payment, familiar customers, no strings attached — is becoming a rarity. The pattern instead is for customers in China, India and other developing countries to demand financial and technical assistance.

So when a major new project is on the auction block in a developed country, tensions run high. Eastern Germany, probably Europe's fastest-growing regional economy backed by one of the world's strongest currencies, has become the most visible battleground at the moment.

Both General Electric Co. and Westinghouse Electric Corp. felt that recent bids had little chance in what they felt was an essentially closed market, and the U.S.

government launched a high-volume campaign to back up their complaints.

Jeffrey E. Garren, the U.S. undersecretary of commerce for international affairs, said during a recent trip to Europe that contracts of \$40 to \$50 billion were at stake in Germany and that German domination of its market "would be a very big problem for the United States."

"European Community legislation is making these markets more open to competition and companies that have not been major participants, like the American companies, are testing the waters," said Simon Street, a technology analyst for Barclays de Zoete Wedd in London.

Since slowing economies in North America and Western Europe present so few opportunities, each country has become all the more suspicious of willingness in others to accept outside bids for

infrastructure that usually involves high political and financial stakes.

"The companies in Germany are naturally anxious to bid on projects in their own country, but it is also difficult for Siemens to break into the telecommunications market in the United States," said Johannes Ries, an analyst at Commerzbank in Frankfurt.

Analysts say that the companies will at least be cushioned by the volume of business on offer in the developing world.

"The main point for the big four — ABB, GE, Siemens and GEC-Alsthom — is that there should be enough business around the world for all of them as long as they cut costs and seek entrance to the big markets in China and India," Mr. Street said.

Richard E. Smith

## Declining Dollar Aids U.S. Suppliers

Continued from Page 18

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This presents a strong and steady market for the power generation equipment industry but a more complex one.

In the past, most buyers were in industrialized countries where payment was usually in hard currency on market terms and where buyers had the expertise to take over operation of the plant as soon as it was installed. In the new markets, buyers increasingly need soft loans as well as long-term on-site assistance in running the plants.

Companies are under more and more pressure to come up with creative financing packages and commitments to help run the plants," said Erich Unterwurzacher, an economist in the Paris unit of Econ-Energy, a Norwegian energy consultancy.

"Some companies are willing to stay for 10 years to help run a plant or as long as necessary to pay for the investment."

**T**HE shift of business volume to developing countries also forces companies to deal more regularly with political risk.

Enron was shaken recently, for example, when an opposition party assumed power in the state of Maharashtra in India and decided to review a contract for a major project that had already been agreed. Although the company says that payment is guaranteed by the state no matter

what the local government decides, the conflict highlights the uncertainty of the new markets.

China has also struck a demanding tone recently in a debate with Western companies about the rate of return they should expect from power investment in general. In a dispute likely to become a major fault line between sellers of technology and developing states, the companies said they must be rewarded for the risks of pioneering new regions, while China's power authorities question whether the risks are so great. Those authorities can command considerable attention, since they hold the key to what will indisputably be the largest single market for power generation equipment in the coming decade.

**RICHARD E. SMITH** is on the staff of the International Herald Tribune.

## Britain Is No Longer a Model Case

By Barry James

**L**ONDON — What was once billed as a model for utility privatization is proving in Britain to be a public relations shambles.

Fat bonuses and paychecks for the executives, large-scale layoffs in the industry, increasing bills, and what is perceived as a deteriorating level of service have combined to swell public anger both against the companies and the government.

Even shareholders are unhappy after a threat to make the companies hand back some of their windfall profits sent share values plunging. What got them even more riled was the fact that the government sold its 40 percent stake in the two main generating companies the day before the industry's regulator, Stephen Littlechild, made the threat in March.

Long before that happened, however, the executives of the electric companies, in common with those of other privatized utilities, were able to reap huge profits by cashing in the options they received — for less than market value — when the shares were first issued.

Philip Burns, an economist at the Center for the Study of Regulated Industries in London, said the government had displayed "amazing generosity" to the industry by selling it cheap and imposing only weak controls on prices. As a result, profits in the sector rose 108 percent between privatization in 1990 and last year, while productivity inched up by a meager 2.5 percent a year.

Prices have come down in real terms

since privatization by less than 2 percent, compared with far bigger reductions in the gas and telecommunications industries.

But Mr. Burns said the bonanza now seems to be over, with Mr. Littlechild determined to make the industry return some of its profits to consumers, either in the form of an immediate refund or by steeply reducing prices.

This would be on top of regulatory measures announced last August, when the industries were told to reduce prices by as much as 18 percent starting in April, and to hold future price increases to inflation minus two percentage points.

Analysts say the crackdown might not have been necessary had it not been for the all-too-apparent display of wealth in the first years of privatization.

The opposition Labour Party has been scoring points off the government by attacking what the shadow Chancellor of the Exchequer, Gordon Brown, called the "corporate greed" of the utilities' bosses. Even Sir Richard Greenbury, the chairman of a committee set up by the Confederation of British Industries to draw up a pay code for senior managers, has conceded that a real problem has been created by what he called greedy executives in the privatized industries.

In trying to put a cap on prices, however, Mr. Littlechild has made it clear that he does not intend to interfere with boardroom pay for the utilities.

The senior managers of the two electric

utility generating companies, National Power and PowerGen, were reportedly recently to have amassed shares and options worth £23 million.

Iain Vallance, the head of British Tele-

com, who earns £660,000 a year apart from his bonuses, created an outcry when he called such settlements "distributive justice" and claimed that he worked harder than the over-burdened hospital doctors in the National Health Service.

Britain has moved farther and faster than any country in Europe to hand over its state-owned industries to the private sector. The main criticism is that the government was so concerned about transferring ownership that it paid inadequate attention to the competitive aspects.

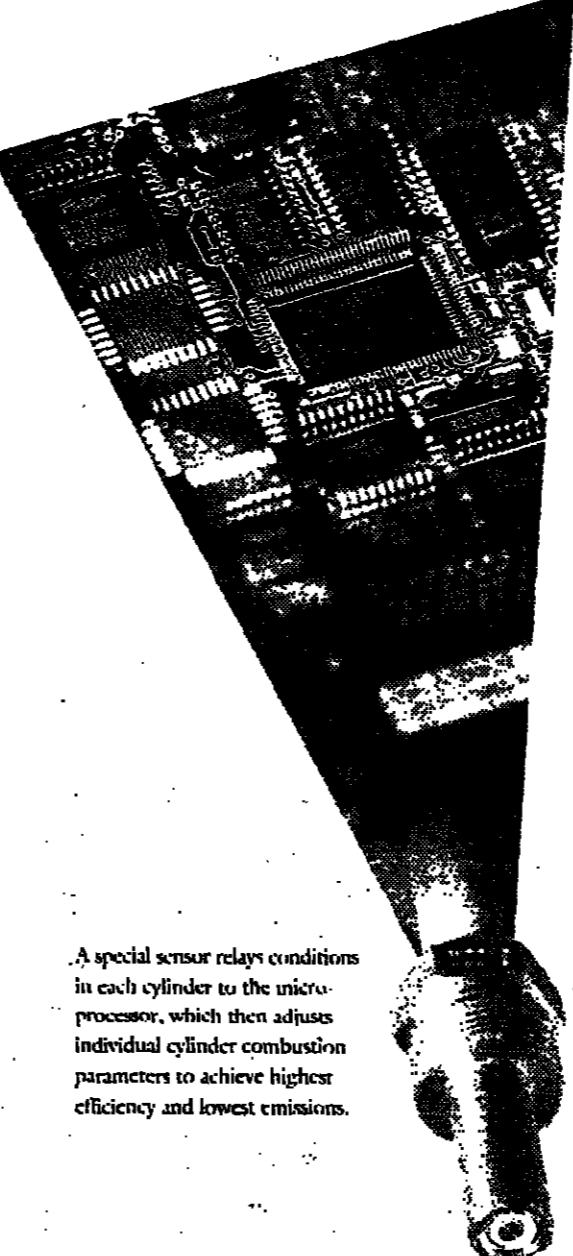
In the electricity industry, productivity improvements have come about through layoffs, not through changes in operating methods. Employment in the industry fell from 143,000 at the time of privatization to 116,000 in 1993. The generating companies halved jobs from 24,500 to 11,900 over the same period.

**S**OME critics have asked why, if over-staffing was so blatant, did the executives of those companies reward themselves so handsomely after privatization for failing to manage the industry adequately when it was still in public hands?

"For the executives now to pay themselves large salaries for doing what they failed to do before privatization is bad enough," said Simon Jenkins, the editor of The Times. "To claim capital gains which were formerly denied to taxpayers is truly rich."

The trouble is, Mr. Jenkins said, is that the industries "have not been truly privatized," because there has been no proper attempt to make them competitive nor to impose market disciplines.

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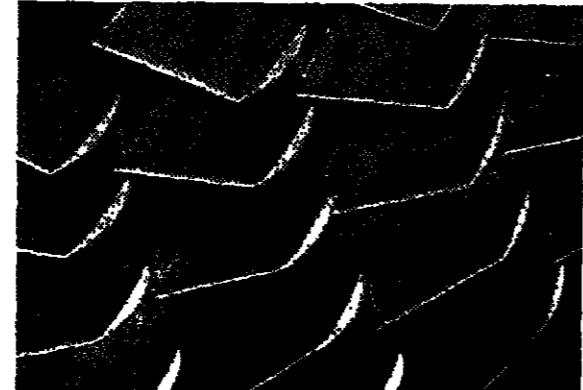
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## Kenya's Athletes Threaten Boycott

Reuters

NAIROBI — Several top Kenyan athletes have threatened to boycott this year's World Championships and All Africa Games to protest the firing of the country's head coach, Mike Kosgei.

The athletes, who met in the northeastern town of Eldoret over the weekend, said they would not compete in the World Championships in Gothenburg or the All Africa Games in Harare if Kosgei is not reinstated.

"We have considered Kosgei's sacking and see a boycott of the two events as a sure way to get heard," the long distance runner Moses Tanui said Monday by telephone from Eldoret.

Those who met in Eldoret, a town in the Rift Valley that is the cradle for Kenyan athletics, included the Olympic 800-meter silver medalist Nixon Kiprotich and the Olympic 3,000-meter steeplechase champion, Mathew Biar.

Among the others were Peter Rono, the 1,500-meter gold medal winner in Seoul, Sammy Kosgei, Lucas Sang, William Koch and Kipkemboi Cheruiyot.

Tanui and Kiprotich said they were asking other Kenyan athletes in Europe and the United States to back their demands.

Tanui said the runners also felt that the current officials of the Kenya Amateur Athletics Association had to be removed if the quarrel between athletes and administrators was to be resolved.

Association officials made no comment on the new threat.

Its chairman, Isaias Kiplagat, in a statement issued Saturday, said Kosgei's services were

no longer needed and that the KAAA would recommend that the government use him instead in a program to instruct other coaches in the country-side.

Kosgei was removed as Kenya's head athletics coach last week for criticizing the way the sport has been run in his country.

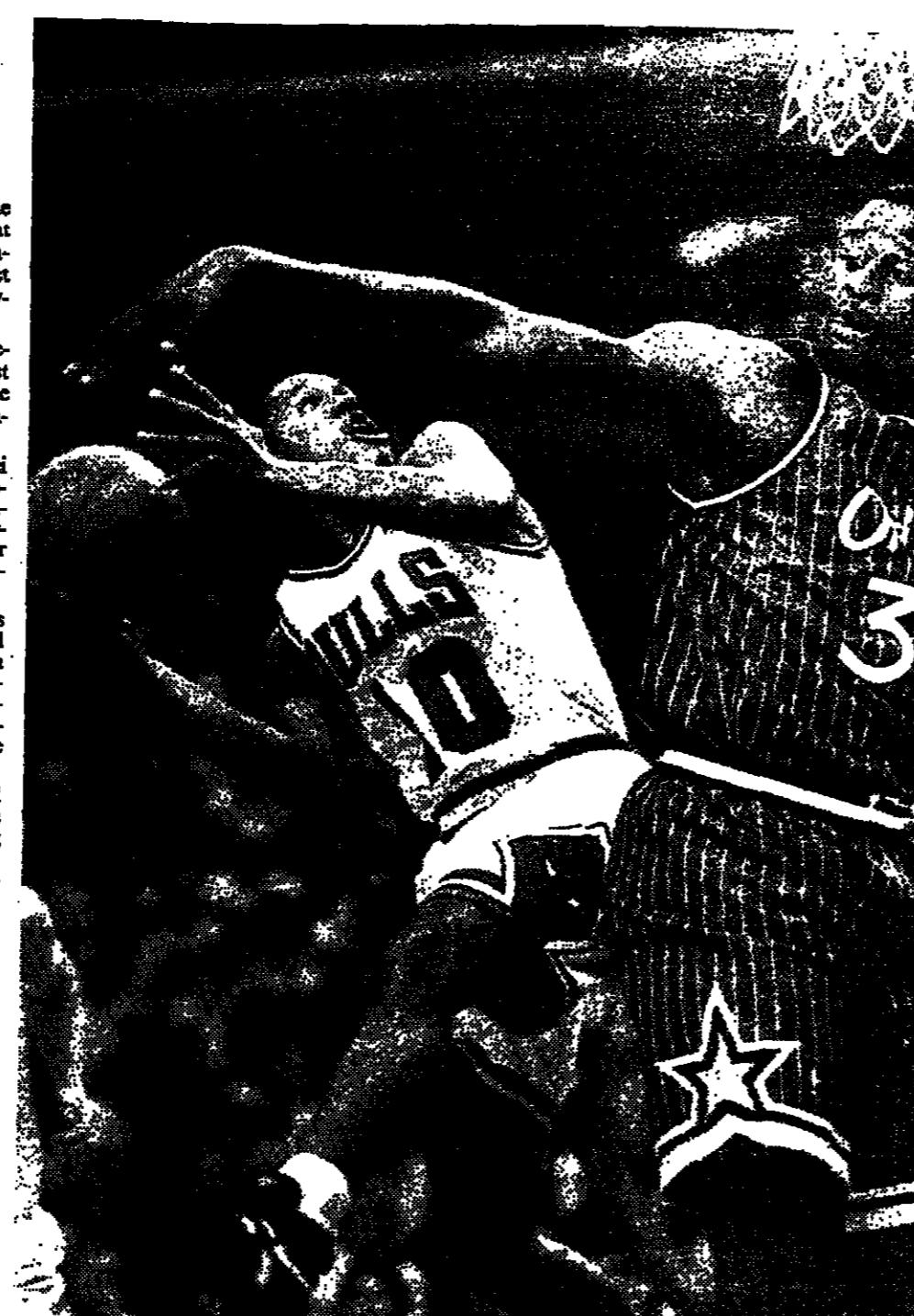
Before he was fired, Kosgei had spoken out about the dependency among Kenyan athletes who, he said were underperforming. He said their problems needed to be addressed.

The Daily Nation, Kenya's leading newspaper, also called for Kosgei's reinstatement in a special commentary, and described him as the most successful cross country and long distance running coach in the world.

"The KAAA has sacked head coach Mike Kosgei for the wrong reasons and at the wrong time," the newspaper said. "Kosgei's mistake was to criticize the KAAA over its failure to address the issue of declining standards. His was just one small voice."

While the KAAA and Kosgei are trading words, it is no secret that the problems afflicting athletics are many and need urgent solutions. The KAAA should address all the problems pointed out by Kosgei and look for a way to revitalize athletes' morale."

Previously, top Kenyan athletes and the sport's officials have clashed over money. The athletes say the KAAA wants a share of their earnings from meets on the European circuit but has done little to promote the sport at home.



Shaquille O'Neal stopped B.J. Armstrong, but was stymied himself by double-teaming.

## Mansell's Criticism of Car Revives Doubts About His Future

Reuters

BARCELONA — Nigel Mansell's severe criticism of the car built for him by the McLaren Formula One team was raising new doubts over his future Monday in the wake of Michael Schumacher's convincing victory in the Spanish Grand Prix.

The 41-year-old Mansell, who won the drivers' world championship with Williams in 1992, said his car was "virtually impossible to drive" in the fast- and medium-speed corners of the Circuit de Catalunya and refused to

answer questions about his future with the team.

Asked if he expected to see out the full year with McLaren, Mansell declined to comment. Instead, he was asked if the interviewer knew what he would be doing next Friday. Told "yes, I do," Mansell shrugged and left the subject unanswered.

In Sunday's race, which put the vicious Schumacher back on top of the drivers' championship after four of this year's 17 races, Mansell went off the track twice, spun once and then decided not to continue.

His team boss, Ron Dennis, said: "This is a very disappointing day for the team as both drivers have failed to finish. Nigel had handling problems and chose not to continue."

Members of the McLaren team also declined to comment on the prospects of the Englishman's long-term relationship with McLaren, the team he joined on the eve of the current season after being rejected by Williams.

Mansell was highly critical throughout the weekend of his new "wide-bodied" MP4/10B Mercedes-powered car, which was built

especially for him after he could not fit into the original "A" car.

And after a long career, which brought him the Indy car World Series drivers' title in 1993, the year after he had won the Formula One world driver's title, many observers think he is now ready to quit rather than continue in an uncompetitive vehicle in the middle of the grid.

"There is something wrong with the front end," he said Sunday night. "I do not trust it and it does things I do not understand. I am not going out there in it to have an accident."

## SIDELINES

### Els Sets Record in Nelson Classic

IRVING, Texas (Reuters) — Ernie Els surrendered a three-stroke lead, then birdied four of the final six holes for a 68 that won the GTE Byron Nelson Classic on Sunday with a tournament record 17-under-par 263.

The U.S. Open champion carded only five bogeys in 72 holes, but three came in the first 11 holes of the last round. He finished three strokes ahead of D.A. Weibring (65), Mike Heinen (66) and Robin Freeman (68).

• Kelly Robbins overcame a three-shot deficit over the last seven holes to win the LPGA Championship by one stroke over defending champion Laura Davies.

### For the Record

Carlos Queiroz, who had been offered the job as head coach of the U.S. national soccer team, signed a new three-year contract with the Lisbon club Sporting.

### Next America's Cup Regatta: 1999

New York Times Service

SAN DIEGO — The next America's Cup regatta won't be sailed until 1999-2000, according to Peter Blake, the head of the victorious Team New Zealand syndicate, because of the time needed to raise money and get facilities in place.

"That sounds like a long way off," Blake said. "But we're planning to run a big regatta every year for America's Cup boats to keep the profile going. I think it will be a regatta of excellence."

His country is also one of the stops for the 1997-98 Whitebread 'Round-the-World Race,

in which New Zealand sailors, including Blake, have been heavily involved.

Blake estimated that his nation of 3.5 million people will need to spend about \$50 million for cup facilities in Auckland, including dredging and blasting to make the harbor deep enough for the boats expected, and the land base big enough for competitors. Estimates so far run as high as 20 challenging boats, including at least four from the United States.

As host club, the Royal New

Zealand Yacht Squadron is

charging \$100,000 for each

challenge bid, \$75,000 of which

will go to a special fund to support future syndicates.

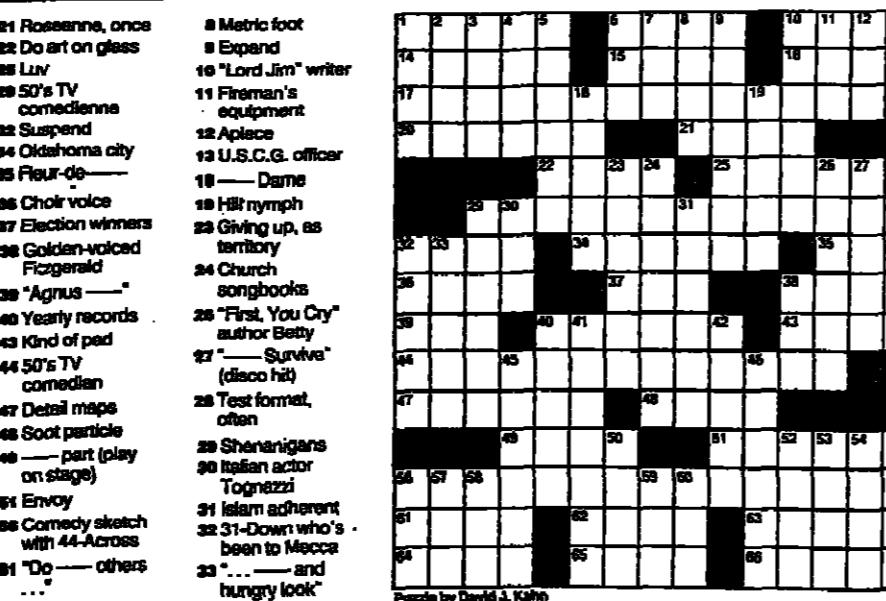
And if 1999 seems a long way off, it appears that the New Zealanders already are prepared to tighten the rules.

Among proposals released Sunday by Team New Zealand was one to require that 1999 crew members, either challenger or defender, establish residency in the country they will represent at least three years before the event instead of the present two years. That would make it harder for paid professionals to skirt a century-old America's Cup nationality restriction.

The New Zealanders also want to get rid of the so-called "paper" yacht clubs that have cropped up in the last decade as a vehicle for a cup challenge bid. The new rules also prohibit competitors from going to court over any kind of America's Cup dispute.

The Royal New Zealand Yacht Squadron named the New York Yacht Club the challenger of record for the next competition. As challenger of record, the club will represent the interests of all challengers.

### CROSSWORD



Solution to Puzzle of May 15

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READ	AMOUR	STAY
AGBA	MAORI	HARE
QUARTER	TERMASTER	
EYE	LEO GEE	
ZSA	AMISS	APART
ADIM	ADIM	ADODEZEN
ONCE	OMITS	DECA
NICKEL	PLATE	RTS
APOET	ETAPE	
LEM	OIL	ITNO
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